DOCUMENT RESUME

ED 274 261 HE 019 701

TITLE	Partners for Quality: Preparing Higher Education for a Second Century of Change. Report of the Advisory Panel on the Future of Higher Education in North Dakota.
INSTITUTION	North Dakota State Board of Higher Education, Bismarck.
SPONS AGENCY	Bush Foundation, St. Paul, Minn.
PUB DATE	Sep 86
NOTE	98p.
AVAILABLE FROM	North Dakota State Board of Higher Education, State Capitol, Bismarck, ND 58505-0154.
PUB TYPE	Reports - Descriptive (141)
EDRS PRICE	MF01/PC04 Plus Postage.
DESCRIPTORS	Access to Education; Advisory Committees; Blue Ribbon Commissions; College Faculty; College Programs; College Role; Educational Finance; *Educational Policy; *Educational Quality; *Governance; *Higher Education; Institutional Mission; Public Colleges; *State Boards of Education; *Statewide Planning
IDENTIFIERS	*North Dakota

ABSTRACT

Key policy issues and 29 recommendations are considered in a report of the Advisory Panel on the Future of Higher Education in North Dakota. The panel focused on: system organization, educational access, college missions and roles, and the state's ability to continue its current level and type of service to students. Visits were made to the 11 state institutions, public hearings were held, and meetings were held with representatives of campuses, the community, the legislature and state agencies, the Board of Higher Education, and the media. Important issues in North Dakota and other states were finance, governance, and quality. Recommendations concern: developing a true state system of higher education in North Dakota, the State Board of Higher Education's role, dimensions of access to educational opportunity, the practice of open enrollment, mission and role statements in general and for specific colleges that have one- and two-year programs, faculty retention, program review, general education, transfer of credit, enrollment ceilings, remedial education, centers of higher education, cooperation across state boundaries, vocational-technical education, a funding formula for the state, budgeting by the board, tuition and financial aid, and resource sharing. Interviewees and documents that were consulted are listed. (SW)

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Partners for Quality

Preparing Higher Education for a Second Century of Change

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Report of the Advisory Panel on the
Future of Higher Education in North Dakota

September 1986

A Heritage of Pride

In 1884, North Dakota's first institution of higher learning opened its doors. Through a full century of service, the state's 11 colleges and universities have provided doors to greater opportunity and enrichment for all North Dakotans. Now in their second century, these institutions represent the most priceless asset of its citizens. This heritage of pride calls for an even greater commitment to secure the future of higher education in North Dakota.

Education is key to the spirit and culture of North Dakotans, a people who have endured a long history of difficulties created by the weather, economy, transportation, population, and isolation. We were told of their "lust for education" and we could sense in our interviews that they have kept the spirit of North Dakota's settlers, who transformed an empty wilderness into a complex, functioning society.

North Dakota is blessed with fine, caring people—people who have committed their lives to preserving enterprises (whether farms, businesses, institutions or communities), not just to possessing jobs. They have impressive loyalty to and heroic faith in each other, the state and its communities, and their institutions. Today's residents appreciate and use the colleges and universities that have evolved, and are proudly supportive of them. Each, for example, has an active, private fund-raising program at work; the magnitude of foundation efforts at even the smallest campuses is remarkable.

North Dakotans want and deserve opportunities for quality education at places and prices that meet their needs. We have read of the "too-much" mistake that in earlier years created more towns, newspapers, banks, churches, and colleges than the state could afford. It is a legacy that, in many respects, continues to exact a high price, placing local interests above state interest.

Elwyn Robinson writes eloquently of the pioneer virtues of "courage, optimism, self-reliance, aggressiveness, loyalty, and an independent cast of mind and spirit"—qualities as important now as in pioneer days. But the future requires something more—something intangible yet all-important. It is the willingness on the part of leaders everywhere to see with a fresh eye, to fashion a vision of higher education that honors quality as it enhances opportunity, and that links community interests and state interests in creative ways that honor the legitimate claims of both. This is the challenge set forth in this report.

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Partners for Quality

Preparing Higher Education for a Second Century of Change

Report of the Advisory Panel on the
Future of Higher Education in North Dakota

September 1986

The work of the Advisory Panel on the Future of Higher Education in North Dakota was supported by a grant from The Bush Foundation, St. Paul, Minnesota. However, panel members themselves are responsible for the contents of this report.

North Dakota State Board of Higher Education
State Capitol, Bismarck, North Dakota 58505

Printed in the United States of America

September 18, 1986

Members of the Board
State Board of Higher Education
State Capitol
Bismarck, North Dakota 58505-0154

Dear Members of the Board:

We are pleased to present the Board with the report of the Advisory Panel on the Future of Higher Education in North Dakota.

In our visits around the state we discovered the reasons for your pride in the achievements of higher education along with the serious concerns that led the Board to request a report from out-of-state educators.

The problems plaguing the state's economy have serious consequences for the colleges and universities. Everyone is again reminded of higher education's ultimate dependence on a healthy economy. It was not the Panel's task to address today's budget predicaments. Our objective has been to help put in focus those key issues, often of long-standing, that must be confronted if the present budget crunch is not to be endemic.

The burden of difficult decisions lies with the Governor, the legislature, the Board, and the 11 institutions. In the daily interaction of elected officials and the higher education community, some tension is inevitable, even desirable. To all whose decisions shape higher education, we say—repeatedly—in our report: North Dakota needs above all a shared vision of what it wants from its colleges and universities, and from the Board of Higher Education and its Commissioner.

We wish to acknowledge and thank the many people we visited during four week-long sets of interviews. We especially appreciated the opportunity to meet with members of the Board, your fine staff, Governor Sinner, staff of the Executive Branch, and the presidents, deans, faculty, administrators, and students of North Dakota's colleges and universities. Our visits were made more enjoyable, and our observations more relevant, by the information shared with us by the political leaders, editors and reporters, and civic leaders in the eleven communities.

We were especially grateful to the many legislators for their good counsel. A partial list of these individuals is appended to this report. Finally, we thank The Bush Foundation for its support of this and other planning endeavors of the Board. The Bush Foundation grant enabled us to participate in a project we regard as exciting and vital.

Respectfully submitted,

Harold L. Enarson,
Chairman

Fred F. Harcleroad

Harlan L. Heglar

Phillip Sirotkin

Carl Trendler

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About this Report

In January 1986, the State Board of Higher Education announced the appointment of an Advisory Panel on the Future of Higher Education in North Dakota.

The work of the advisory panel was supported by a grant from The Bush Foundation of St. Paul, Minnesota. The charge to the panel was as follows:

> The purpose of the Advisory Panel on the Future of Higher Education in North Dakota is to develop a written report to the State Board of Higher Education, reviewing key policy issues in the North Dakota higher education system and making policy recommendations designed to maintain the strengths of the system and further improve it within the constraints and opportunities of the state. To develop the report, the panel will review the condition of higher education in North Dakota in the context of the state's present trends. The panel will address such broad policy areas as system organization, educational access, institutional missions and roles, and the ability of the state to continue its current level and type of service to students throughout the state.

We profited from the many reports and documents provided us. However, the most important contributions to our work were made by the many North Dakotans who have been thinking about the issues. We visited each of the 11 colleges and universities, starting in Devils Lake, in February, and concluding in Dickinson, in May. During these visits we met with campus and community leaders, legislators, state officials, Board members, media representatives, and interested persons who attended our 11 public meetings. They are listed in the appendix.

To ensure the greatest possible degree of candor, we promised anonymity to all who were interviewed. We only

regret the inability to attribute the many insightful comments to the individuals who have thought so carefully about higher education in North Dakota. We hope that their best thinking is reflected in the following pages.

Some persons we interviewed were plainly skeptical of our efforts. We were told of other reports—as far back as 1933, for example, when the legislature ordered the elimination of all unnecessary duplication of college and university programs. Two years later, a study was ordered on the feasibility of consolidating or closing institutions.[1] Such work continues—by the colleges and universities themselves, by blue ribbon committees, by consultants, and by interim committees of the legislature. Earlier reports and ongoing evaluations remind us both of the complexity of the issues and of their importance to the citizens of the state.

In public policy there are no final solutions. Each generation defines its own agenda and creates a future for the oncoming generations.

What is new in today's climate is the emerging awareness of the crucial role of education, especially higher education, in economic growth. One need only look at North Dakota's past to see how research and education enabled the state to increase agricultural production to know intuitively that the same ingenuity will yield economic gains and greater stability.

We have sought to be candid and forthright in our assessment. To do otherwise would be a disservice to the elected and appointed officials and to the college and university leaders who bear (as we do not) the continuing responsibility for making decisions. We have focused on attitudes along with issues. We trust that our observations and policy recommendations will contribute to the ongoing discussions about the future of higher education.

North Dakotans realize that their economic problems defy quick-fix solutions. The same is true of higher education. However, we observed that the resolve to find solutions to problems is clearly evident. The higher education community should become a full partner in finding solutions to problems—not be regarded simply as one of the problems. Now is the time for North Dakotans to again recognize, support, and nurture the precious relationship between the state's colleges and universities and its future, between quality education and the state's quality of life.

Introduction

1. Quality at Risk

No way of measuring educational and institutional quality can be precise. Quality, to be sure, is something of an intangible. It is difficult to nail down, yet in its absence there is not much left that is worth nailing down. Quality can erode slowly, its loss barely noticeable for some years. Yet when the consequences become fully evident, it is difficult indeed to recover what has been forfeited through long periods of erosion. Quality is a long-term issue. But the only time it ever can be addressed is now.

Quality may be elusive in the abstract, yet in the concrete there are few mysteries to unravel. A small town that is struggling economically need not conduct precise analyses to sense decline in the quality of its services and the resulting effects on those who reside there. Smiles disappear, followed soon thereafter by lost confidence, lost opportunity—and more quickly than one might expect—lost hope.

So it is on a college or university campus. Beyond a certain elasticity there are strict limits as to the numbers of cuts that can be absorbed before library collections suffer, before faculty members leave for greener pastures, before laboratory equipment loses its usefulness, and before students—and all state citizens—are short-changed.

We believe that higher education in North Dakota is approaching such a juncture. Quality is at risk. Delay in addressing the underlying causes of its erosion can only place in jeopardy the prospects of recovering it.

The traditional commitment to higher education that we have observed in North Dakota must now be translated into a renewed determination to sustain and increase quality if the state's institutions are to fulfill a second century of service. North Dakotans possess important intangible resources that must be called forth if its citizens are to consolidate and

enhance the quality of public higher education. These resources include a fierce pride, a will to carry through even in the face of adversity, and shared community spirit that places the common good above parochial interest. Carefully targeted increases in the state's financial support of its colleges and universities are also crucial to guaranteeing quality.

In our travels across the state and in our meetings with all interested parties, we found that the financial dimension to the state's crisis in quality is but one of several important facets. Equally important are cohesiveness and a sense of direction at the state or system level. Quality in North Dakota's system of higher education must be of one piece, or surely quality at each of its 11 institutions will continue to erode. This requires that all concerned become partners for quality.

The findings and recommendations conveyed in this report are, in one form or another, an expression of this fundamental tenet: the Board, the Governor, the legislature, and the state's 11 institutions must come together in a coordinated effort to shape the future of higher education in North Dakota or they will continue to be constrained by an unacceptable present. If this judgment seems harsh, it is motivated by an awareness not only of quality lost but of quality not vigorously enough pursued. North Dakota can do better. A brighter future for the state can only be secured to the extent that it is actively shaped in a collective and cooperative manner.

The tone of our recommendations reflects both the challenge at hand and the considerable capacity of North Dakotans for innovative change. We have no reason to doubt that the citizens of this state will succeed in strengthening the educational opportunities that can, in turn, open innumerable other doors. As to the specific content of the recommendations and the topics they cover, we address a variety of concerns—such as governance, access, institutional mission, academic quality, and finance—but urge that they be viewed as highly interrelated. In this respect as well, the state's efforts to ensure quality must reflect a bold vision of the whole, and not descend into a political, piecemeal approach that speaks only of responsibilities unshouldered and hopes denied.

It is our wish that this report reach not only those who are convinced of higher education's worth but also those who may question its priority in a period of economic distress. Colleges and universities are the most valuable asset owned by the

people of North Dakota. It is vital to this generation and those following that this resource be preserved, protected, and nurtured. Among all endeavors and pursuits, education has this chief and abiding distinction: it lifts all of us above the difficulties of the moment so that we may envision what is possible and make it real in our own lives. We know of no other remedy so potent, nor so capable of continuing benefit.

PART ONE

Context

2. Conditions in the States

The educational challenges and aspirations of North Dakota are for its own citizens to meet, as we are sure they shall. Nevertheless, however unique a state's problems may seem, and even if the solutions ultimately found reflect this uniqueness, it may be helpful to know that governors, legislators, and board members in other states are wrestling with many of the same issues that confront North Dakota.

Everywhere the major issues concern finance, governance, and quality. And everywhere enrollment trends shape policy agendas.

Finance

The major state higher education issue in 1986 has been finances. In recent decades, general revenue support among the states for public higher education grew dramatically to keep pace with extraordinary demands for expanded programs and services. Many states established complex funding formulas, generally related in some way to enrollments. Recent developments have been less kind. Steady or declining enrollments have placed many state institutions in a fiscal straitjacket. Moreover, as federal resources are cut back, and as programs impose heavier demands on state budgets, higher education's share of the pie becomes increasingly vulnerable, as does the size of the pie itself.

Some states, sensitive to the role of higher education in economic development, are increasing their commitments to higher education. In other states, a lagging economy and revenue shortfalls are necessitating difficult decisions, and sometimes dictating drastic actions. Throughout the country, higher education competes with public schools and welfare for state support.

In Texas, according to recent reports, the governor's proposed budget cut will result in a 13 percent reduction from the 1985-87 biennium and will freeze hiring, merit pay increases, construction, and out of state travel. Montana's governor has ordered a two percent cut in the current year's budget. The statewide University of Wisconsin system experienced substantial cuts during the present biennium, along with substantial increases in tuition. Idaho's governor has proposed a maintenance budget for higher education. Oklahoma's two university systems have started preparations for a 1986-87 budget cut of ten percent or more. This fall, Mississippi's public universities reportedly will have operating budget reductions ranging from 6 to 28 percent.

Despite difficulties, many states have provided increased support for higher education. Between 1975-76 and 1985-86, ten year percentage increases in 32 state systems ranged from 68 to 240 percent; the weighted average gain was 137 percent. The two year weighted average gain between 1983-84 and 1985-86 was 20 percent.[2]

Governance

The governance of colleges and universities has always been a volatile matter. Only a few states began with a formal, defined system of institutions under a single board. In other states, boards and commissions were established to coordinate and in some cases govern otherwise autonomous institutions. In nearly all states, the major concerns today are over accountability and flexibility, financing, resolution of "turf disputes," student financial aid, tuition and fee levels, and the kinds and quality of instructional programs.

By the early 1970s, 47 states had coordinating board or governing board structures. During the last decade, significant changes were made in 12 of these states. In 1985, no fewer than ten states considered major changes in their systems of coordination and governance. The Washington legislature replaced its research and planning council with a stronger coordinating board. The Colorado legislature significantly strengthened the statutory powers of its coordinating commission. Likewise, between 1980 and 1983, Massachusetts, Rhode Island, and Connecticut modified or replaced their state level boards. In 1986, the governor of West Virginia asked the legislature to

abolish the Board of Regents in favor of a state commission and institutional boards.[3] In January 1986, a special visiting panel recommended significant changes in the statewide University of Maine system.

Experience in the 50 states has confirmed that coordination and governance of higher education have no ideal structure. Many states have sought an ideal only to find that within a decade or so the need for change again becomes pressing. Form has not always followed function, and fads have sometimes led to *ad hoc,* short-lived modifications. Recent trends have been to strengthen the powers of weaker boards and commissions. A growing wish by states for accountability in educational terms has led to increased responsibilities for program assessment, long-range planning, and—happily—greater flexibility in the use of allocated state resources. Throughout the country, there is greater appreciation for the need to foster better coordination and stronger partnerships among state institutions in their common effort to meet the educational needs of citizens.

Quality

During the past few years, the adequacy and quality of elementary, secondary, and postsecondary education have attracted considerable national attention. Basic reforms have been recommended in the nature of schooling: selection and preparation of teachers, involvement of parents, quality and relevance of the curriculum, attention to the basic skills, high school graduation standards, college entrance requirements, relevance of a college degree, "outcomes" or results of a college education, and so on.

Presently, Oklahoma, Texas, California, Maryland, and New Mexico, among other states, are actively reviewing issues of quality in public higher education. Nearly 20 other states have conducted similar reviews in recent years, among them Michigan, Minnesota, Arkansas, Nebraska, Missouri, Colorado, and Kentucky.

Florida has adopted new, tougher admission standards for its nine state institutions. New Jersey has revealed that less than one-third of over 44,000 entering freshmen demonstrated proficiency on the state's test of basic skills. Public demand for more rigorous college admission standards has forced change in the great majority of states.

In Minnesota, a special task force has recommended that the state adopt a list of reading, mathematics, English, writing, and other skills needed to perform college level work. Likewise, Minnesota's Coordinating Board has approved statewide standards designed to clarify the kinds of knowledge to be acquired in associate degree programs.

A report on remedial education called for by the Iowa legislature asserts that such efforts are a primary responsibility of the state's two year colleges but that a limited number of make-up courses should be offered at its senior institutions.

This vigorous debate over quality, inexorably tied to admission standards and accountability, continues in every part of the country. It has fostered renewed appreciation of quality in education and greater awareness of the consequences that can follow when quality is at risk.

Enrollment Trends

Enrollments, predicted to decline greatly, have stayed at much the same levels. There are several reasons for the relative stability.

- Threatened by the prospect of enrollment declines, campuses have discovered better ways of responding to student interests and better ways of "marketing."
- Institutions are much less dependent on the pool of recent high school graduates than ever before. The average age of students continues to climb; the so-called "non-traditional" student is becoming the traditional student on many campuses. Many more women attend, combining part-time education with work and with family. Men now make up less than half of all enrollment. The demand for college level work continues to grow among those already employed.
- A well-educated population creates demands for further educational opportunities.

In many states, an increasing share of instructional costs is imposed on the student. As tuition rises, it becomes virtually impossible to attend full time and "work your way through college." Increasingly, students finance their education by borrowing against their future earnings. Many students must borrow for graduate or professional education on top of loans

incurred during their undergraduate years. This heavy debt burden has unintended and unfortunate consequences, including choices related to careers.[4] For example, will students who have mortgaged their futures decide to teach in the public schools?

Differences among the 50 states pale when compared to the common challenges they must face. Throughout the country, as in North Dakota, solutions to educational issues will be found to the extent that institutions, governors, legislatures, and citizens recognize that their stake in colleges and universities transcends more narrow interests, and lies rather in a common good to be preserved and enriched. North Dakota is in an excellent position to take strong, positive action because so much of its heritage is founded upon the values of partnership and commitment that other states now seek to foster.

PART TWO

Findings and Recommendations

In the course of our interviews and site visits across the state of North Dakota, we were fortunate to receive insightful suggestions and wise counsel from many concerned parties. Because our findings are informed by their participation, we urge you not to read only the recommendations but to consider them in the broad context of the entire report.

3. Governance

We find that North Dakota does not have in place a system of higher education equipped by tradition and public understanding to deliver the range and quality of education and services needed by citizens as the state enters its second century.

Eight of the state's 11 institutions are endowed with constitutional status. This makes it difficult, though not impossible, to move toward a true state system of higher education. At present the protection of an institution may well take precedence over state interests. At a time when more flexibility is needed, the state instead has campus locations and missions enshrined in the Constitution. This constitutional form of institutional protection may be archaic and to some it appears to have outlived its usefulness.

A consequence of this constitutional protection and the political constraints placed on the State Board of Higher Education has been that the state now has a collection of 11 more or less free-standing colleges and universities, not a system. As we note later, the roles of most of the colleges are unclear; the resulting sprawl of academic and vocational programs has dissipated scarce resources and has encouraged institutions to seek out clientele that they cannot serve well.

Developing a Sense of System

The presence of 11 distinctive institutions perpetuates the illusion of access and opportunity. However, due primarily to disparities of program availability and institutional size, the ideal of access is thwarted and is, at best, unevenly available to state residents. Although North Dakota is fortunate to have 11 institutions, quality education is limited by the absence of a true state system.

Because of their great sense of autonomy and the absence of a commonly perceived interdependence, North Dakota's colleges and universities struggle to be all things to all people. For example, each college and university offers associate degrees. While some acknowledge that such programs lack depth, each campus is trapped by history and a powerful sense of obligation to a local community. Obligations notwithstanding, it is not correct to assume that an associate degree offered by a university is comparable to that available from a community college. Nor is it correct to assume that a four year college, simply because it is located in an underserved part of the state, should become a graduate degree granting institution. Again, the sense of "system" is missing. Indeed, many deficiencies that we address in other sections of this report can be traced to the absence of coordination that a state system would otherwise afford.

We considered the creation of a "State University of North Dakota", along with variations of this approach to a more unified system. However, we see no compelling case for the major legislative changes that would be required. The objective of a better coordinated system of higher education can be better met by present arrangements once the role of the Board and its staff is clearly established, understood, and accepted. Moreover, there are good reasons for maintaining a greater degree of institutional self management than is either possible or likely under major consolidation.

Many college and university faculty and administrators recognize and sometimes share these concerns about fragmented governance. But they also share a sense of powerlessness. While the presidents do not assume that their proportion of the state budget will grow, they are unable to reduce the scope of their institutions in the interest of quality. Indeed, under present arrangements it would be unwise for a president to reduce program offerings if doing so would lead to a loss of enrollment and funding. Dependence on enrollment-driven funding inescapably leads to competition for students. In this circumstance, considerations of quality are not always foremost.

Flat or declining enrollment projections, and a budget system that depends heavily on enrollments, have led the 11 institutions to scramble for students of all ages and interests. To their credit, the campuses have displayed great resourcefulness

in maintaining enrollment—but those numbers are insufficient at, for example, Mayville State College, Lake Region Community College, and NDSU-Bottineau. And at the same time, the two universities have experienced some growth, much of it from Minnesota students.

North Dakota colleges and universities show great variations in learning resources, faculty size, program breadth and depth, preparation of entering students, and expenditures per student. Each institution points with pride to its North Central Association accreditation. However, we question whether this is a sufficient measure of quality *if* the state wishes to have an overall *statewide* approach to higher education, to programmatic balance, and to responsiveness to state needs through its 11 campuses.

Presidents and the faculties must accept as an essential part of their duties the development of policies and community attitudes that recognize the interdependence of higher education and the necessity for supporting statewide interests. Turf protection, however understandable, is contrary to the long-term interests of the colleges and universities and the citizens they serve.

It is imperative that the 11 institutions clarify their purposes and concentrate their energies and aspirations on what they are best equipped to do.

Recommendation #1

The Governor and the legislative leadership should take all steps necessary to charge the State Board of Higher Education with developing a true state system of higher education. In turn, the Board should work with the institutions, executive branch, and legislature toward this end.

The State Board of Higher Education

Over the years the influence of the Board has been allowed to erode. Power not exercised is power lost. The Board has great formal power, as great or greater than that possessed by such boards in other states. However, over the years that power has been circumscribed by legislative action, institutional misgivings, and public attitudes. The Board itself may have been partially at fault; the public's surprise over recent courageous acts of the present Board serve to show just how much slippage there has been.

In better economic times, the "system" worked rather smoothly and afforded the campuses relatively benign financial treatment. However, the pressures of tight budgets and actual cuts have brought weaknesses to the surface in an arrangement that has operated, in effect, on the basis of turf protectionism.

The natural tensions among state boards, governors, and legislatures seem to be especially intense in North Dakota. We do not interpret the constitutional status of the Board as a "no-trespassing" sign warning that higher education is off limits to policy makers. The political reality here as elsewhere is a basic one: great power resides in legislatures, which raise and appropriate funds. Nevertheless, whether a board is constitutional or statutory, it must participate fully in the delicate tasks of negotiation and compromise that are the hallmarks of the legislative process.

For a considerable time neither North Dakota governors, legislators, nor college presidents have believed that the Board should have the major role in planning, in defining the respective roles of the campuses, and in orchestrating the funding mechanisms that will permit and encourage a more rational ordering of statewide priorities.

The presidents each have a distinctly different problem regarding their participation in the legislative process. They are strong advocates of their individual campuses, thus reinforcing the impression that there is no unified system. Sensitive to the political dynamics of North Dakota, the presidents are invited to be part of the game and, consequently, they have little incentive to work in concert for the entire system. Some legislators prefer this approach because it suits their personal interests in particular campuses. To others in the legislature this is an irrational, ineffective, and inefficient log-rolling process.

Lately the Board has taken a more assertive stance in this process, but has been attacked from many quarters for pressing the system idea ahead of the individual institutions. Such attacks can themselves be debilitating, but in addition there are numerous instances of poor relationships between legislators and Board members and staff.

Options for negotiating and understanding increase when people are face to face. We encourage all who are involved to communicate more often and more regularly, especially between legislative sessions. Personal relationships and an understanding and appreciation for a person's attitudes and viewpoints are enormously important. At no time is this more essential than during the political stress brought about by differences of opinion or the harsh realities of budgets.

Reaffirming the Board's Role

The North Dakota State Board of Higher Education is one of a small number of similar bodies among the 50 states that is constitutional. Although this may create controversy from time to time, the message of the electorate in 1938 was clear: higher education, and its Board, are different and unique among the entities of the state. People we interviewed saw the Board as a true intermediary between the Governor and the legislature on the one hand, and the campuses on the other.

Unfortunately, in the politics of North Dakota higher education, power and influence tend to be regarded as a zero-sum game. Power given to the Board is power presumed to be lost to the legislature. This is precisely the way *not* to think about the public interest.

The North Dakota legislature has great power. It raises revenues through taxation, enacts the general laws, and creates the state's budget. With respect to higher education, it profoundly affects the quality of education by its level of funding and by its willingness (or unwillingness) to see that the institutions and the Board have managerial authority and are held accountable not only for financial probity but for educational results. Moreover, it can establish an institution or initiate a vote of the people to eliminate institutions.

The State Board of Higher Education must have the authority and responsibility to do the necessary planning of higher education, always with legislative and gubernatorial oversight.

The roles of the legislature and the Board ought for the most part to mesh rather than to conflict. For example, the legislature has the all-important responsibility to review plans and priorities and, through the budget and other processes of checks and balances, to concur or seek changes. The details of these diverse processes are best left to those nearest to the action; however, planning, developing the budgets, and decisions about academic programs or institutional purposes, are initially tasks for the Board.

A strong legislature and a strong Board of Higher Education, far from being incompatible, are both essential if each is to succeed in its appropriate role. This requires a new spirit of working together based on mutual respect for the roles of each participant in the process. Respect breeds tolerance for differing views and creates the capability to keep conflicts in perspective and focused on issues, not on personalities. When these simple, common-sense attitudes are not honored or when loose and careless language results in moments of anger, hurt feelings may have destructive consequences that ultimately undermine academic quality. It is also worth emphasizing that the Board and its staff can only be as effective as the political leadership of the state permit and encourage them to be.

We do not have strong views on whether the Board should be larger; the present number does seem to place exceptional pressures on its members and additional participants may very well alleviate this and also bring a valuable new dimension to the Board. The length of term seems to be a matter of great difference of opinion. Many of those who advocate shorter terms are not on the Board; members tend to believe that the present term is desirable, believing that it takes time to be truly familiar with the issues and personalities.

Whatever the composition of the Board, it must develop a process for continuous analysis and planning—an orderly process that involves all of the key participants in higher education, the executive and legislative leadership, and the people served by higher education. Dominated by no constituent group, the Board needs to develop and establish priorities for action that are consistent with the times and flexible for the future.

Let us emphasize the words "continuous" and "planning." We have no tolerance for "master plans" that give the impression of a job done once and for all. The planning process does

produce documents from time to time, but the undertaking itself is continuous. What is most important is that planning help to establish focus while encouraging the participants to share and explain their ideas about the future and about their goals. As people talk about what they want to achieve they must also consider whether they have the will and the resources necessary to be successful. A process such as this, far from developing plans as blueprints for action, becomes a way to extend vision, to imagine how to cope with the many uncertainties that lie ahead, and to make decisions now that will help realize future goals.[5]

Recommendation #2

The Board should set the priorities and make the plans for higher education in North Dakota—subject always to oversight by elected officials. If legislation is required to outline the specific duties associated with planning, monitoring, oversight, and policy review, then this should be done.

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4. Access

Access to higher education is a symbol of North Dakota's deep, idealistic belief in opportunity. Unfortunately, access has been equated with geography, with proximity to a campus. In an era when transportation was difficult at best, this approach had some merit. But today this is a narrow, self-deceiving view of access, one that has confused discussions on policy issues, including the sensitive issue of closing campuses.

The Dimensions of Access

Access must be examined and tested under five categories: geographic, program, student convenience, ability to pay, and finally, ability to benefit. *By these measures, North Dakota has less access than it believes it has.*

1. **Geographic Access.** The state scores relatively high on geographic access, considering its large size and sparse population. During each of our visits in North Dakota we heard articulate, emotional statements about the need to be able to go to college close to home (for reasons of interest, helping at home, raising children, or personal convenience). Lost in these discussions was whether these colleges also have programs that are relevant to present or future local and regional needs—or the needs of the students themselves.

2. **Access to Programs.** North Dakota's 11 campuses cannot provide the same kinds of programs and services everywhere, nor should they be expected to do so. Indeed, to avoid duplication of effort, many specialized programs can be offered only at one or two places in the state. Yet this reality inescapably produces great inequities of access to programs. It is a reality that must be accepted. It would compound folly for the campuses to develop yet more duplicating graduate and professional programs.

3. **Access at Convenient Times.** Single parents, farmers seeking retraining, working traditional-age students, and adults who are returning to or starting college need to have access to programs at convenient times. We saw only limited evidence that colleges are making a concentrated effort to increase the numbers of scheduled credit courses in evenings and on weekends. This is perhaps the most neglected aspect of access. Geographic access means little if classes are not provided at times and places that are realistically needed.

4. **Access through Ability to Pay.** Tuition has increased substantially in North Dakota and, although the rate is still comparatively low, the increases were not met with corresponding growth in the state funded, financial aid budget. In addition, a hidden population of college students in North Dakota has always paid high tuition. In 1985, over 12,000 graduate and 7,700 undergraduate students enrolled in off-campus, continuing-education courses for credit, for which the students paid the full calculated cost of instruction (in contrast to the lower state-subsidized rate for on-campus students). This represents an additional important percentage of state residents who seek credit-bearing higher education through other than the traditional routes, and a total head count equal to at least three-fourths of the basic enrollment of North Dakotans as regular students at the 11 state institutions.

5. **Access and the Ability to Benefit.** Access to college may be self-defeating for students who are poorly prepared or who are not well-advised about their choice of college or program. The mismatch of student talent and college programs is a recipe for disaster. The open door to college may be for some a revolving door.

We heard arguments (protective of smaller campuses) to the effect that some rural youngsters cannot compete in bigger towns and on bigger campuses. Others felt just as strongly that it was wrong and unfair to these young people to restrict their exposure to new experiences or not challenge them to learn the skills of adaptation and competition in a more complex environment.

Information on this critical matter of college preparation is sparse and incomplete in North Dakota. Commonly collected and reported information about college completion, transfer,

drop outs, and post-college activities should be a regular part of each college's student data system and should be shared with the Board. Additional efforts must be made to understand and more fully meet the needs of the entering students—using the readily available statistical resource of ACT data, placement testing, and advising.

Determining the ability to benefit is in many respects a function of the admissions process. Few issues are as controversial as that of open enrollment versus selective admissions. North Dakota is an open enrollment state. The state Constitution provides that North Dakota citizens shall have access to public higher education, with limited, reasonable restrictions permitted by statute and Board policy. Access is a birthright: the right to achieve, the right to fail. Wherever we went, we were provided with examples of how important access is in human terms and what access has meant in economic advantages to the state.

In many other states, admission is open to one or more institutions in the system, but not necessarily to all institutions. The proponents of open admission argue that a state resident deserves the opportunity to try college level work no matter how poor the high school preparation or the academic transcript. Critics deride open enrollment as inherently dishonest, insisting that it is a misreading of "opportunity" to permit a student to enter a college where the chances of survival are extremely small.

Most states recognize the compelling need to differentiate their institutions of higher learning. Every state has one or more comprehensive research universities. Regional state colleges or universities offering baccalaureate programs, sometimes with a sprinkling of master's level programs, are standard around the nation. And many states, though not all, have community colleges and/or branch campuses that are satellites of the larger campuses. The logic of differentiation is that a state needs an array of colleges and universities that match at least roughly the different talents and interests of its student population.

Admission policies play a significant part in differentiating the role and mission of institutions within a system. In general, comprehensive research universities have the more rigorous standards for admission. In states with admission standards for their institutions, a hierarchy of requirements allows free or almost free entry to community colleges, restricted entry to the

regional colleges and universities, and greatly restricted entrance to the research universities. In some states the legislature defines gradations of admission selectivity with terms such as "highly selective," "moderately selective," and "open admission."

In the last half dozen years or so, two new trends are apparent. First, college admission standards are placing pressure on secondary schools. The deep concern about the quality of education in the nation's public schools, along with legislative distaste for "paying twice" for remedial work at the college level, has led many states to legislate tougher admission standards, especially at the major universities. The objective is to encourage the high schools to develop more rigorous and better defined college preparatory courses and to put students on notice early that their effort and preparation will be the deciding factor in whether they gain admission to the institution of their choice.

The second trend is the development of selective admissions with respect to academic programs within an institution. The heavy demand for engineering, business, and computer science, among other fields, has led institutions to limit enrollment, using academic performance and potential as the criteria for deciding admissibility. Several North Dakota institutions impose selective admissions in some of their programs.

During our visits we encouraged discussions about the advisability of establishing qualitative standards for admission, particularly at the two universities. In general the response was negative. Time after time we heard of the deep feelings about opportunity, about the inability of small high schools to provide a range of course offerings wide enough to meet a new and uniform graduation standard, and about the rights of students to realize their individual potential—or face their limitations—in a college or university of their own choosing.

Given our reading of the present climate of public opinion, we believe that the Interim Budget Committee on Higher Education reflects the general view in its recommendation for continuing the current Board of Higher Education admission policy of open enrollment for high school graduates and limited admission to selected programs.

Unfortunately, the issue of open enrollment has not had the intense public discussion it warrants. At some point, North Dakota needs to assess the full consequences—pro and con—of

some limitation on enrollment at both the University of North Dakota and North Dakota State University. The issues are economic as well as educational. Educators may and should provide advice. But in the last analysis this is an issue of public policy that the people must and will decide.

It is unrealistic to expect the universities to limit enrollment unless they are held harmless from budget cuts and given the opportunity to improve the quality of education for those they serve.

Recommendation #3

Policy discussions about access to educational opportunity for North Dakotans should focus sharply on its several critical dimensions: geographic, program, convenience for students, ability to pay, and finally—most importantly—ability to benefit (as determined by qualitative standards for admission).

Recommendation #4

The political and educational leadership of the state should enter into critical review and discussion to determine the extent to which the historic practice of open enrollment encourages or discourages an effective match between the interests and talents of students and the role and mission of the 11 institutions.

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5. Closing Institutions?

As noted, the debate in North Dakota over access has shifted from the ideal of opportunity toward the narrow questions of geographic proximity and whether certain colleges should be closed.

Rather than be a rallying point for finding ways to improve and expand access to programs around North Dakota, this obsession over whether to close colleges has made access a contentious, politicized subject. North Dakotans have been diverted from questions about programs, convenience, academic survival, and price. The debate in North Dakota has been divisive and has interfered with attention to the more fundamental issue of transforming the colleges and universities to meet emerging challenges.

The panel has concluded that it cannot recommend the closure of any college in North Dakota at this time.

Reviewing the Debate about Closure

It is obvious that if North Dakota could start over, it would not establish as many colleges and universities nor would they be in the same locations. But we agree with those who have shown us how the colleges have provided demanded services and programs and how damaging it is for those colleges to be in a stressful state of perpetual jeopardy.

In every location, the importance of the college or university was clear. Each is a source of pride, each is enthusiastically supported by local foundations, and each continues to be an important cultural focus in the community, particularly in the smaller communities. This has been so for many decades. As Elwyn Robinson noted,

> The institutions themselves were stimulating centers of intellectual life, communities of scholars and ambitious young people, in which the state's cultural heritage was transmitted, the skills and professions of the modern world were learned, and the bounds of knowledge, especially knowledge of the state itself, were extended.[6]

The debate over the number and size of colleges goes far back in North Dakota history. In 1942, the North Dakota Governmental Survey Commission released a report that dealt extensively and eloquently with the issues and problems in North Dakota. The Commission had this to say about the number of colleges and universities:

> No one can deny the criticisms leveled at our existing educational institutions in North Dakota. In view of the fact that the population of the state now probably does not exceed 650,000 . . . there are more institutions of higher learning than the people of the state can afford to efficiently maintain.[7]

In discussing these institutions, materials prepared for the 1942 Commission revealed that:

> Several of these institutions have small enrollments, but in spite of this fact they are attempting to offer a wide range of curriculums. . . . It is evident that the state has a larger number of higher institutions than can be maintained at the level of efficiency demanded by modern standards.[8]

Although the number of colleges in North Dakota has been the subject of criticism, it has also been a reflection of community faith and commitment to making the colleges work for the betterment of the state. But as Robinson noted, faith and commitment are not always enough:

> In their optimism the pioneers . . . established too many schools, colleges, churches, and newspapers. Because there were too many, all would have a hard, often losing struggle for survival against the difficulties caused by distance and the sparseness of the population.[9]

The Issue Today

Before and since 1942, the number of institutions has been held up as a warning; reform was urged. Yet the years have brought no change in North Dakotans' view that these institutions are important to the communities and to the state. Indeed, as recently as 1985, a public-opinion poll provided evidence that the present system, or some refinement of it, is what the people of the state want.[10]

Many have cautioned us about mixing state policy matters affecting higher education and state policy matters that affect communities. Authoritative, heartfelt arguments support both sides, and the arguments cannot be separated easily.

We have heard impressive stories about the roles of the colleges in the lives of their communities. They are significant assets in place; they are smokeless industries. They provide educational opportunities and enrich the lives of the people in the communities and regions. The faculty and staffs are vital community members.

We know that the campuses are, on balance, well-located. Williston, Valley City, Dickinson, Wahpeton, Devils Lake, Minot, Grand Forks, Bismarck-Mandan, and Fargo are communities for which growth is predicted. Somewhat less promising futures are predicted for Mayville and Bottineau. But the location of a campus cannot be the principal basis for speculating about its future well-being.

We were repeatedly told that the smaller campuses are a drain on the higher education budget. In fact, the total cost of the smaller colleges is small. However, there is clear evidence of disproportionate spending per student throughout the 11 campuses. And this must be a matter for continuing concern.

Not Closure, but Quality

To close or not to close poses simplistic and dangerous alternatives. In our view, the differences of opinion are so deep that to pursue either of the extreme positions would be deeply divisive. Closing a college would provoke a damaging political struggle that would touch higher education throughout the state and would cause great harm in the communities. To simply preserve the status quo would be foolhardy because there are so many concerns that demand attention.

Redefined roles for those colleges jeopardized by low enrollment will enable them to achieve a higher level of quality and will reassert the value and the distinctiveness of each campus. Moreover, free from the threatening environment that has characterized the past few years, creative campus leaders will be better able to fit their colleges into a more cohesive state system of higher education.

It must again be emphasized that this is not a recommendation to affirm the status quo. Far from it. Although not advising closure, we do advocate significant change throughout the 11 institutions and at several campuses in particular. The focus of the state must now shift from closure to ways of improving quality through redefined institutional roles.

Recommendation #5

The Board should affirm the need for postsecondary education programs in the communities of Devils Lake, Bottineau, and Mayville. The Board should likewise consider the recommendations concerning the roles of these institutions (as presented in the following pages) and decide what kinds of new institutional arrangements will yield the best educational services to the people of these areas.

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6. Institutional Mission and Role

The Value of Clarity

In the minds of many North Dakotans, the roles of the state colleges and universities have become muddled. Time after time legislators told us of the importance of bringing each of the campuses into sharper focus—to have the presidents and faculties understand what they can and cannot do.

No state has been completely successful in clarifying precisely what each institution may and may not provide. However, many guidelines are available to improve mission clarity. How to achieve greater clarity of purpose and how to divide the educational effort in North Dakota are questions that the Board must continue to address aggressively. This is especially timely because of the addition of three, two year institutions as full partners in the state system: Bismarck Junior College, University of North Dakota-Williston, and Lake Region Community College.

The Need for Differentiation

Colleges and universities are committed to the traditional mission of teaching, research, and public service. Their kind and nature determine the relative emphases placed on each element of that mission. In state systems the board establishes these emphases; that is, the board determines the role of each campus within the larger framework of a group of institutions.

Mission and role statements differentiate the kinds of colleges and universities in these important ways:

- degree levels
- program comprehensiveness or specializations
- admission of students to institutions and/or specific degree programs
- relative emphasis on research and public services

Mission and role statements are dynamic; they are not established once and for all but must be regularly analyzed to determine whether present and future objectives of a state are being realized through its colleges and universities. Defined by the Board, these statements have a critically important function: they delineate what an institution may or may not do.

The situation in North Dakota has been complicated by the locations of campuses, population patterns, the aspirations of colleges and universities, and the absence of clarity about how each is to mesh with the others. Although policy documents of the Board articulate the roles of each campus, these statements are not always followed and may be bypassed, from time to time, in favor of *ad hoc* judgments.

Given the local service tradition of each college and university, it is not surprising that North Dakota has considerable duplication in academic programs. The commitment to service has resulted in unevenness in program quality and some troublesome duplication of effort. The generally held, albeit cynical, view is that the institutions manage to provide whatever programs they wish.

Without an agreed-upon role, a campus is tempted to expand beyond its traditional boundaries, in part because of the great pressures of self-interest, political interests, and local status. For example, the recent effort by Minot State to change its name from college to university has tempted other institutions to respond to such pressures, thus placing the Board on the defensive and causing it to make judgments on an *ad hoc* basis. We think that it is in the best interest of the state and its campuses if such aspirations are quieted.

This caution should not be interpreted as a squelching of imaginations. Quite to the contrary, we think that the work of state colleges in educating students and serving regions of the state is both honorable and important. On the other hand, there are clear reasons why any additional duplication of degree programs should be stopped. New programs should be approved only on clear evidence of compelling need and absence of wasteful duplication.

The Board's role and scope policy is a comprehensive planning document that outlines the kinds and degree levels of instructional programs to be offered at the colleges and universities. It is a good starting point in making a fresh assessment, but is incomplete in critical respects. The Board needs to affirm

its definition of the role and mission of each institution in consultation with the institutions.

Each of the 11 campuses must be given a clear charge as to its basic role within the system. Statewide as well as local needs must be reviewed and role statements should be developed that reflect but are not intimidated by the status quo. What is needed are creative responses to the changing needs of the entire state, including its institutions. At minimum there should be greater clarity regarding the associate degree, the distribution of vocational-technical institutions, and the distribution of academic programs.

The challenge to North Dakota is to transform its 11 institutions into a cohesive system of higher education. The institutions then must work in harmony and recognize that more is at stake than any single campus and its own future.

It is essential that the Board consult broadly and work closely with the institutions in developing mission statements. It is also essential, even critical, that decisions be reached. The issue is not whether an existing set of programs is clear and explicit or whether it rests comfortably on past practice. The test for the state, through the Board, is whether it can develop missions for each institution that are compatible with other institutions, that minimize duplication, and that together provide citizens with the appropriate geographic and program mix relevant to the future.

Recommendation #6

The Board should work with the institutions to establish a sharply focused mission, role, and scope for each that clearly differentiates it from the others and is geared to statewide needs. The Board should ensure that all its decisions reinforce, rather than depart from, institutional mission, role, and scope agreements.

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7. Mission and Role: Campus by Campus

At each campus visit the panel profited from a vigorous exchange of views. Our assignment was not to reflect campus views but to present our best judgment concerning possible changes in directions or emphases. The following observations and recommendations should, at minimum, serve as a basis for discussion both at the campus and the Board level.

North Dakota State School of Science is a two year school of technology that aims primarily to prepare students in the most practical phases of applied science. It also offers general education to prepare students for transfer to a four year institution.

This institution has the great advantage of a clear role that the public supports and admires. Changes in the kinds of students who seek specialized higher education have made it increasingly difficult for many in North Dakota to take advantage of the programs available exclusively at NDSSS. Rather than duplicate such programs, we suggest that certain programs can be offered by NDSSS at other locations in the state. The determination of need for such programs should be coordinated by those responsible for cooperative centers for higher education. The authorization for such an off-campus endeavor for NDSSS is a decision for the Board.

Bismarck Junior College provides both academic transfer programs and vocational-technical programs, along the model of a traditional community college.

Some we spoke with believe that the Bismarck-Mandan region needs to have a free-standing four year college. We believe that the costs would be too high and there would be few if any advantages to such an arrangement. Baccalaureate and graduate programs should be provided through an expansion of

cooperative arrangements such as the present one with the University of North Dakota.

NDSU-Bottineau offers one year and two year vocational and academic programs primarily in agriculture, forestry, and horticulture.

Structurally, NDSU-Bottineau is neither a true branch of the University nor is it a traditional community college. The faculty and staff have made heroic efforts to maintain a comprehensive array of programs. But we saw no evidence that this can be achieved, let alone sustained indefinitely.

NDSU-Bottineau should become a true two year, lower division branch of North Dakota State University. With its distinctive historical mission it should serve the entire state in lower division programs in agriculture, forestry, and horticulture; should stress its vocational-education role; should offer related community services; and should cooperate with other campuses in offering only those associate level programs that are demonstrably necessary. We do not believe that the institution or the community have the capacity to sustain a traditional community college; that role should be abandoned.

UND-Williston is a community college offering academic and vocational programs. It began as an education center responsive to local needs and has evolved into a University-affiliated but primarily local, two year college.

While strong arguments suggest that UND-Williston could be a free-standing campus, far greater advantages—resource-sharing, for example—would come from a close, clearly understood affiliation with the University. UND-Williston should become a true two year, lower division branch of the University of North Dakota. Any local needs for baccalaureate and advanced degrees may be provided through arrangement with the state colleges and universities.

Lake Region Community College is a community college offering academic and vocational programs primarily to residents of its nine-county region. It has enjoyed a long history of local support.

The college has concluded a complete program review, pared back its curriculum, and reduced its per student spending significantly. These achievements speak well of the Board's decision to affiliate Lake Region with the State School of Science.

Lake Region Community College should remain affiliated with the North Dakota State School of Science, preferably as a branch campus. It should give additional attention to the periodic offering of demonstrably needed vocational-technical courses and programs.

The **University of North Dakota** is a research university for specialized graduate and professional programs and advanced research. Its obligation must be to serve North Dakota with programs recognized by the Board as unique to the University. In education it should continue work in secondary education and in advanced administration of higher education.

The University's role is clearly understood by most. As is so often the case in a state with two major universities, much of the confusion that does exist stems from duplication of effort between UND and NDSU. Strengths within the University should be channeled toward greater distinctiveness, and any unnecessary redundancies with other state colleges or NDSU should be minimized.

North Dakota State University is a research university with distinctive instructional programs and additional statewide responsibilities as North Dakota's land-grant institution. Its obligation must be to serve North Dakota with programs recognized by the Board as unique to the University. In education, it should continue specializing in secondary education for majors in areas related to its distinctive mission.

The role of the State University is, by and large, well understood. The land grant mission sometimes encourages a statewide perspective for NDSU that challenges the aspirations of other institutions, a common problem in many states. As stated above, it is desirable for the State University to channel its strengths toward even greater distinctiveness, thus reducing any unnecessary redundancies with other state colleges or UND.

With respect to both universities, associate degree programs are inconsistent with the role of research universities. Such programs should not be undertaken except on compelling evidence that the need cannot be addressed by any other institution.

It will prove difficult to differentiate the roles of the two senior research universities, but it is essential to do so. Where strong duplicating programs exist, such as in certain fields within engineering, it should not be assumed that this is wasteful and unnecessary duplication. Existing assets in place—faculty, facilities, and the like—should not be cast aside on the superficial ground that all duplication is wasteful. The important point is to spell out with care roles and missions that will avoid future duplication of programs that are unjustified or easily open to the charge of waste.

Minot State College is a comprehensive state college with selected master's degrees in program areas of particular strength. It should remain so, and should not be granted university status. The distinctiveness of a solid, respected college with a small number of specialized master's degree programs must not be blurred by a change in nomenclature.

Simply changing the title of a college to a "university"—without a number of other changes in the academic program—changes the meaning of a university. Also, new and higher costs are associated with faculty who would make their compensation comparisons with the state universities. And in seeking this comparability, the faculty may be negatively affected by the imposition of a review and promotion system designed by and for research university faculty.

Dickinson State College has a distinctive history in elementary teacher education and some fields of secondary education. In the spirit of serving a large region of the state, it should offer a diversified academic program with majors in selected secondary education fields.

Dickinson's location makes it understandable that many would wish that graduate level programs were more easily offered. The capacity of an undergraduate institution to move toward graduate programs must be carefully assessed. In times of extraordinary financial difficulty this does not seem to be a wise course of action. To our thinking, the region would be

well served by having Dickinson State College serve as the host institution for a carefully focused cooperative center for higher education.

The College should continue its efforts in those business fields in which it can make a contribution. The College should not be encouraged to grant graduate degrees.

Valley City State College has a rich tradition in elementary teacher education and in selected secondary education fields. It should continue its regional service in these important fields.

Valley City has engaged in stimulating discussions about its curriculum. The dilemma of the College, it seems to us, is simply one of size. The capacity of the College to sustain its relatively comprehensive array of degree programs is limited and, in the interest of program depth and quality, we believe that it should carefully consider its future directions.

The College should continue to develop an undergraduate curriculum that is responsive to the present and emerging needs of the region, including programs in business.

Mayville State College is a historically strong, baccalaureate level, teacher education college offering elementary education and selected secondary-education fields. However, it has reached a dangerously low enrollment level.

Mayville's faculty and staff were quick to convey great enthusiasm about their work and their curriculum. They cannot, however, change quickly the patterns of enrollment in North Dakota. Inventive leadership has enabled Mayville to maintain its position; we believe that kind of leadership must now be directed at prudent reductions in the scope of the College.

The College should conduct a thorough review of its entire academic program with the expectation that its scope will be reduced. Mayville must then concentrate on maintaining fewer programs, with emphases in elementary teacher education, selected secondary education fields, and business.

* * *

The effect of some of these recommendations is to prevent baccalaureate level campuses from expanding into graduate institutions. We believe that interinstitutional resource sharing is the preferred approach to meet local needs. Higher education centers, models for such cooperation, are described elsewhere in this report. When necessary, graduate programs may be offered in communities not directly served by graduate degree offering institutions through cooperative arrangements with the college or university authorized to grant such degrees.

Recommendation #7

The Board should critically review all one year certificate and two year, associate degree level programs at its senior campuses. A determination whether continuation is justified should be made on the basis of these guiding principles: program quality, program responsiveness to specific needs of the state, and the presence of unique facilities or resources designed for the support of the programs.

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8. Academic Program Issues

Some issues and concerns were once thought to be "strictly academic." However, such issues are today increasingly a matter of general public interest.

In the next pages we deal with faculty retention, program review, general education and the core curriculum, transfer of credit, enrollment ceilings, and underprepared students. These issues have attracted public interest and require in varying degrees the participation of faculties, presidents, the State Board, and the political leadership.

Faculty Retention

Because of the national faculty market, most presidents and deans at North Dakota institutions are able to report that recruiting is not yet a problem. Likewise, there is little evidence at this time of the "brain drain" that bedevils some other states. Still, the quality of faculty who have declined to work in North Dakota because of the level of support they could expect should be examined. Reports indicate that newer faculty members leave at a higher than average rate. As demand for faculty in growing states increases, an exodus of very capable faculty is a strong possibility.

To their credit, the presidents have been effective in protecting the great asset that is the faculty. They have no doubt scrimped on maintenance, reduced equipment budgets, and stabilized all operating budget categories. Nevertheless, we believe that the quality of the faculty is now in jeopardy.

North Dakota is blessed with loyal sons and daughters who have elected to become faculty members in its colleges and universities. That is a genuine asset. On the other hand, as we pressed for evidence of damage caused by budget realities we

came to believe that the reluctance of North Dakotans to complain may have something to do with what we discovered—or failed to discover. At first we were troubled to learn how little attention seems to have been given to the pressures on faculty. We concluded that the faculty are at the edge of a crisis that no one has yet confronted in any collective way.

The loyalty of these faculty must be applauded. However, faculty should not be taken for granted. Their loyalty may be mistaken for complacency. Their inventiveness and creativity may mask the difficulties encountered in classrooms and laboratories. They must be protected because there are strict limits on how much they can do during a budget cutting period before real damages are felt in the classroom, laboratory, and library.

Campus leaders are to be commended for their resourcefulness in difficult budget times. To our knowledge, classroom instruction has been shielded so far from any great damage. However, limited access to computers, the loss of talented younger colleagues, out-dated equipment, insufficient learning resources (instructional material, books, journals, non-print media), reductions in special services (student counseling, writing laboratory), and so forth, are but a few consequences of budget constraints that have placed additional burdens on an already over-extended faculty.

Of course, quality cannot be equated simply with funding. However, program cuts that go deeper and deeper will have a powerful and predictable impact on faculty and the quality of instruction. Year after year of flat instructional-support budgets and faculty salaries that are not competitive will, plainly, damage the institutions. Quality erodes imperceptibly at first, but is painfully evident in time. At that point, it becomes exceedingly difficult and expensive to regain.

Recommendation #8

The Board, the Governor, and the Legislative Assembly should make every effort to protect and nurture the quality of the faculty, with the full understanding that they are the very heart of each college and university.

Program Review

Years ago in North Dakota, program development was based on the entrepreneurial efforts of the campuses. In the absence of any larger, cohesive sense of the whole, each college endeavored to add programs, thus crowding into fields already dominated by the older institutions. This led to a fight among the institutions for students and for appropriations—and there were not enough of either to go around.[11]

By 1920 the University and the State School of Agriculture offered baccalaureate instruction; the other seven institutions provided two year programs and high school instruction. Normal schools in North Dakota, as elsewhere in the country, showed "beginnings of curricular expansion, program development, larger student bodies, and increasing financial support."[12]

Subsequent growth in North Dakota's state colleges and the two universities led to increases in the numbers of programs offered. Demand was present and there was optimism about the future. More recently, budget problems have stimulated questions about the extensiveness of programs throughout the state. The growth of the state system by three two year campuses has served to enlarge the degree of concern.

No state has satisfactorily answered the question: what duplication is unnecessary? Most efforts, including those now underway in North Dakota, tackle the problem by examining programs with small enrollments and overlook more fundamental questions, such as where programs should be located and whether a state needs two or more essentially identical programs.

Throughout our visits we were told by legislators and others that North Dakota has too many programs—more than can be afforded. Extensive streamlining and reductions in the number of program offerings available in the state would be a way of reducing cost, but would also reduce access to programs of choice. Programs come and go, based upon many factors internal to the campuses. From the state perspective, access, the number and locations of programs, quality, mission, and cost are among the larger issues that should enter into regular assessments of the need for existing programs.

The Board is to be congratulated for its ongoing examination of selected degree programs. This ambitious undertaking offers a direct response to the perennial, nagging question

about program duplication. Yet it is unrealistic to assume that the Board staff can have in place the necessary mechanisms for the continuing process of reviewing the need for and health of *all* existing programs.

On the other hand, the colleges and universities *are* well equipped to assess their degree programs and do so from time to time—generally because of an accreditation review, new faculty, the loss of key faculty, and so forth.

It may be advisable for the Board to ask the campuses to review similar programs within a specific time period. Based on our interviews throughout North Dakota, we think it would be appropriate for the following undergraduate and graduate degree programs to be reviewed at the earliest possible time: engineering; business administration, including secretarial programs; home economics; the physical sciences; and teacher education, especially elementary education.

While discussions about duplication in North Dakota have focused on present programs, we heard little about what ought to be provided in the future, especially about programs that may stimulate economic recovery. The campuses and state agencies responsible for employment services and economic development should work and plan together more closely than they have in the past. All enterprises, public and private, are dependent on the skilled human resources that education can provide.

A preoccupation with high technology ought not to distort education priorities. "High-tech" moves business, industry, and agriculture to new plateaus of operating efficiency. But in doing so it does not provide many jobs. It is estimated that not more than three percent of the workers in high-tech companies require sophisticated skills.

Likewise, education ought not to be confused with training. Colleges and universities must ask themselves constantly whether in their eagerness to serve the changing demands of the job market and student preferences they hold true to their overarching purpose—education in the fullest and broadest sense of that much-abused word.

The Board should

Recommendation #9

- *continue its practice of periodic, special reviews of degree programs throughout the state or on individual campuses*
- *officially recognize campus based review processes and timetables for the review of individual degree programs*
- *expand the value of campus based reviews by requesting common, systemwide information (degrees awarded, finances, learning resources, adequacy of classrooms and laboratories, depth of faculty resources, and so on)*
- *establish a campus reporting procedure to enable the Board staff to monitor the results of campus program reviews and, should there be disagreements with a decision following a review, to challenge the decision in an orderly fashion*

General Education and the Core Curriculum

Throughout the history of higher education, faculties have actively debated what constitutes a fundamental education. Many necessary reforms have emerged from the cauldron of heated argument. Over the years, changes have occurred in the general curriculum—that common educational experience expected by the faculty of each student. Nevertheless, the curriculum today is fragmented as never before. Specialization is triumphant.

The report of the American Association of Colleges, *Integrity in the College Curriculum* (1985), charges that there is little coherence in the typical college curriculum:

> As for what passes as a college curriculum, almost anything goes. We have reached a point at which we are more concerned about the length of a college education than its content and purpose.

We agree with the Association's call for:

> a minimum required program of study for all students, consisting of the intellectual, aesthetic, and philosophic experiences that should enter the lives of men and women engaged in baccalaureate education.[13]

Students should have access to, and should have the right to expect, a roughly comparable general education at any

campus that offers the Associate of Arts/Sciences degree or the Bachelor of Arts/Sciences degree.

We do not advocate a common curriculum, nor do we recommend a required set of courses in specific disciplines. Uniformity is not the target. However, the general education part of the two year Associate of Arts/Sciences degree should be such that graduates are able to transfer to a four year campus having fulfilled the lower division, general education requirements of the receiving institution. We recognize that there may also be upper division general education requirements, but priority attention should be given to the lower division transfer problem.

Recommendation #10

In the interest of access, the Board should ensure that the faculties of North Dakota's colleges and universities provide general education opportunities that are basically comparable throughout the state.

Transfer of Credit

North Dakota has no statewide transfer of credit policy to protect the earned credits of students, nor is there a commonly agreed upon, general education or core curriculum.

From the student perspective, transfer of credits is important—and rightly so. Many states have established transfer policies to protect the earned credits of students and to facilitate their movement between and among the state's colleges. North Dakota colleges and universities cannot respond to students in a cohesive fashion if they have no agreements about the transfer of credit and the application of those credits to degree programs.

No single campus can provide sufficient program diversity to meet the needs and aspirations of all its students. Two year colleges usually have large numbers of transfer oriented students. For these and many other reasons, it has become common for students to attend two or more colleges during their education. We found it remarkable that we heard no comments that the absence of a statewide policy on transfer creates obstacles to North Dakota students. The degree to which faculty at different campuses remain in touch seems to be an important factor in this regard.

The presidents and faculties of the 11 campuses should work together with the Board to develop and implement a policy for student transfer that protects the earned credits of students as well as the institution's right to determine major field requirements and to grant its degree. Only the faculties can adjudicate course equivalency.

Recommendation #11

Enrollment Ceilings

Enrollments in North Dakota's colleges and universities are distributed according to patterns of student choice, campus location, population, and program availability.

Many times we were told that the larger campuses were growing at the expense of the smaller ones. Also, there is much hard feeling over the recruitment of students around the state by other public colleges and the universities. On the other hand, it is argued that enrollments are dictated largely by powerful historic forces that continue to determine enrollment patterns and shifts.

On the smaller campuses we found strong support for capping enrollments at Fargo and Grand Forks, and equally strong opposition to the idea by those universities. The argument for capping enrollments at the two "large" universities (both among the nation's smallest research universities) is that it would achieve a more rational distribution of enrollments because students denied admission would presently enroll in the colleges now suffering from low enrollments and high unit costs.

Unfortunately, there is no way to verify these assumptions without trying them. Our judgment, based on the limited experience of other states, is that students denied admission to senior universities do not filter into the smaller institutions. They may go out of state or not enroll at all.

Ideally, patterns of enrollment should be shaped largely by the respective roles and missions of the various institutions. Admission standards that are geared to better defined roles and missions may yield fewer students at the senior universities. However, the reasons will be educational, not a consequence of turf wars that pit campus against campus.

Recommendation #12

The Board should consider enrollment ceilings only in the context of the affirmed or revised role and mission statements recommended elsewhere in this report.

Recommendation #13

If enrollment ceilings are to be adopted or if smaller enrollments are encouraged as a matter of educational philosophy, the universities should not be penalized by budget cuts. Universities must have ways to reduce their overall size yet continue to be compensated equitably for mission-specific and fixed operating costs unrelated to enrollment.

Underprepared Students and Remedial Education

North Dakota has consistently ranked among the very highest in the nation for college attendance rates. In fact, a recent study shows that North Dakota now ranks first, with 44.9 students in public higher education per 1,000 people in the state.[14] One consequence of this high participation rate and open access, as we have noted earlier, is that for some students the open door is also a revolving door. Open access often encourages students to enter colleges for which they may be unprepared because of aptitude or inadequate high school course work—or both.

The matter of remedial education deserves more attention than it receives in North Dakota. Remedial courses are not authorized for state funding, yet clearly remedial education must be provided. In good conscience the colleges and universities have no choice. Some students require remedial work because of their own past failures. But many more are not prepared because they attended small, rural high schools that could not afford the full array of college preparatory courses. It is hardly fair to stigmatize these students as remedial students.

The institution and individual faculty practice a gentle deceit. To their credit, the faculty give attention to students who come to their courses with educational deficits. However, rather than acknowledge that some students have serious deficits, requiring in some instances special classes, the institutions include underprepared students in regular classes. It is

also the practice to offer courses that are essentially high school level for full college credit but not count them toward graduation requirements.

The situation would be far worse were it not for the heroic efforts of teachers in the small high schools who work so diligently to prepare their students for work and/or college. The perseverance of students and the determination of their teachers have again enabled North Dakota to proudly claim the second highest rate in the nation for high school completion. This is an achievement of distinction.

However, there must be at the college level a more forthright recognition of the need to fill educational deficits for those students who, through no fault of their own, need special assistance in one or more academic areas. Much closer cooperation between the schools and the college campuses is required. The recent report of the College Board, *Academic Preparation for College,* (1983) could serve as a shared agenda in widening the dialogue between the two systems of public education that, serving the same students at different ages, often seem to be isolated from one another.[15]

Recommendation #14

The Board, in concert with the State Department of Public Instruction, should take all necessary initiatives to engage faculties of the high schools and the colleges in serious, sustained planning to address all aspects of problems associated with the underprepared student.

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9. Partnerships

Higher Education Centers

It will not do for institutions to think of themselves as stand-alone operations, free within their budgets and mission statements to chart an independent future. North Dakota must move—carefully, cautiously, prudently—toward a system. This requires imaginative use of faculty resources in possibly unconventional ways. As noted earlier, North Dakota has less access, defined in terms of program offerings, than is realized.

Each institution is not now equipped, nor should it be equipped, to offer all the educational services that it might legitimately be expected to provide. A creative solution may be found in the establishment of *higher education centers.* The purpose of such centers is to increase access for students who live in under-served regions or who live near a college that has a small number of program offerings or does not offer baccalaureate or graduate degrees.

Higher education centers develop around local, host institutions that are responsible for working with the local community and region to assess its needs and priorities for specific kinds of continuing education or degree programs. In essence, a host institution contracts for instructional services from an institution authorized to provide the specific programs. A successful example of such a center is the Graduate Center at Bismarck, which enables the University of North Dakota to offer three master's degrees, using the facilities of Bismarck Junior College.

Such cooperative centers can:

- provide links with the community, public schools, member institutions, and Board in determining the plans and activities for the center
- conduct educational program needs assessments

- maximize the use of all available higher education resources
- help match member institution resources to local needs
- monitor institutional activities for responsiveness, effectiveness, and quality

The coordinating mechanism should be kept simple. A coordinating body (representing each cooperating college and university and Board staff) must ensure adherence to the quality expectations for off-campus center programs; there should be a formal link to the community through an advisory board; and Board policies must be followed so that program authorization is possible.

The cooperating institutions should ultimately be responsible for the quality of courses and programs. Their commitment to quality may be demonstrated in ways such as these:

- Center faculty are from home campuses or are selected using standards comparable to home campus standards.
- Center courses are comparable to on-campus courses.
- Learning resources, especially library materials and laboratory equipment, must be adequate.
- Educational information and advising services are available.
- Credits transfer between institutions.
- Expectations of students (program admission, grading, exit requirements) are comparable to those held for on-campus students.
- Center activities are evaluated on a regular basis by campus faculty and officers and the Board.
- Credit courses at centers should be funded on the same basis as courses provided on parent campuses.

We received mixed opinions as to whether such centers are good ideas for North Dakota. Some felt that they were reasonable approaches to providing access to programs; others felt they were devices for restricting developments at the colleges. Clearly, they are not likely to be the first option explored by an institution that aspires toward graduate degrees. They are, nevertheless, a means of bringing together two or more institutions to provide demonstrably needed courses and programs.

Statesmanship as well as entrepreneurial energy will be required to put the center idea to good use. Some campuses will see the center as a threat to their own ambitions and will be

uneasy at the prospect of having another college—even though supported by the same public funds—use their buildings. However, we strongly believe that it is an idea whose time has come.

Recommendation #15

The Board should explore with the 11 institutions ways to develop centers of higher education. It should subsequently establish a policy and procedure to encourage and guide the formation and support of such centers and encourage the Governor and legislature to support necessary changes in funding structures.

Communication between Schools and Colleges

There is nothing new or remarkable about suggestions that communication and cooperation be increased between secondary schools and colleges. Nor are there any magic answers to be found in the reports of the past several years that urged basic reforms in our schools. Nevertheless, artful new kinds of communication and cooperation must be fostered between and among North Dakota's many school districts and its institutions of higher education.

The landmark study *A Nation at Risk* called for students, parents, teachers, and others to work together for fundamental reforms that would achieve the goal of developing the talents of all students to their fullest.[16] Similarly, in 1983, The Carnegie Foundation for the Advancement of Teaching issued its special report, *School and College: Partnerships in Education.*[17] It called for sharply focused and action-oriented forms of cooperation built from a base of mutual understanding and an agenda of concerns common to both the school and the college. The Carnegie report provides several promising ideas to stimulate school-college relationships:

- The faculties of both should work together to determine the content and skills regarded as necessary to enter college.
- Students should have greater flexibility to move between high school and college for courses that address their needs and talent.
- There should be experimentation with transitional schools that consciously combine the school-college experience in ways that reduce overlap.

- Students with special educational needs should be identified early and provided the help they need to make the transition between school and college.
- Schools and colleges should collaborate in developing programs for initial and senior teachers.
- Colleges and universities should each establish formal partnerships with one or more school districts in order to provide requested educational and cultural programs and services.

Approximately one-half of North Dakota's high schools have seventy-one or fewer students and about five to six teachers. This may be the reality of a large, rural state, but it demands that school and college educators work together in new and imaginative ways to enrich the secondary school experience for these young people.

In North Dakota there are isolated examples of schools and colleges working together: enrichment programs in the summer at Mayville; university faculty working with high schools to encourage a greater level of preparation in anticipation of college studies; concurrent enrollments for high school students in Bottineau. On balance, however, very little evidence surfaced that partnerships like these are on the rise.

The clear and pressing need for greater cooperation is eloquently stated in the Carnegie Foundation report:

> The gulf separating those who teach in the schools from those in institutions of higher education sometimes seems too deep to overcome. The worlds of the school and the college are different at the same time that they are alike. Teachers at the two levels speak the same tongue, yet some are incapable of dialogue. One is supposed to prepare students to sit in the classrooms of the other, but neither bothers finding out what the other is doing. The curricula should mesh, but they are seldom jointly planned. It is as though workers on the Chevrolet assembly line were trying to attach wheels to a chassis on which no one had installed an axle.[18]

That gulf can be bridged by the caring people of a state with remarkable achievements in its rates of high school graduation and college attendance.

The Board should establish as policy that each of the 11 institutions develop formal relationships with schools in its region in order to encourage regular, systematic communication on matters of mutual interest and concern.

Recommendation #16

Cooperation across State Boundaries

North Dakota is an affiliate member of the Western Interstate Commission for Higher Education (WICHE). This cooperative organization is recognized nationally for encouraging colleges, universities, and state governments to share resources as a means of providing greater educational opportunities for students to quality programs at less cost to the taxpayers. Academic resources of 13 western states are available to North Dakotans because of this affiliation. North Dakota is also exploring reciprocal arrangements with Montana, South Dakota, and Canada. We fully support such initiatives and believe that much more can be done for mutual advantage.

Reciprocity with one particular state—Minnesota—has become a divisive issue because it has created financial inequities and enhanced enrollments (and thus, additional facilities and support services) at institutions that attract higher numbers of Minnesotans.

This relationship has brought about new disparities in attendance between the states. It is surprising that the original agreement was not designed to force substantive balance between the two states. Indeed the growth in overall collegiate enrollments in North Dakota can be accounted for, in large part, by Minnesota residents whose numbers have doubled in the last 10 years. In the fall of 1985, 2,661 North Dakota residents enrolled in Minnesota, while 5,085 Minnesota residents accounted for almost one-fifth of all enrollment in North Dakota institutions. Minnesota students make up a third or more of the enrollments at the two universities and more than half of the enrollments in some specific programs.

While enrollments are still out of balance numerically, the newly amended agreement at least does not create a financial incentive to a Minnesota resident to attend college in North Dakota. Perhaps this will result in a gradual return to balance, but that is not a certainty.

Because reciprocity generates strong feelings, the controversy about unequal flows of students between the two states must be ended for the good of the system. We reject the suggestion that interstate reciprocity be eliminated. North Dakota students are enriched through their interaction with students from other states and we are certain that the reverse is also true. Cooperation among the states is essential if we are to adequately address our collective, interdependent futures.

However, we are not persuaded by supporters of reciprocity who contend that North Dakota fares well under the out of state agreement with Minnesota. It is unquestionably true that each student attending college in the state creates a modest financial multiplier effect, but that effect does not begin to compensate for the direct and indirect expenditure of funds for such great numbers of out of state students. In short, the data available to us suggest that this argument does not support what was a poorly balanced arrangement at the start.

Interstate reciprocity agreements are not uncommon among states. Although the numbers of participants are quite limited, one-for-one agreements exist between New Mexico and Colorado. Several other states have similar, tightly negotiated agreements. Missouri has contracts with Kansas and Nebraska for specific programs it does not offer. Illinois residents who live closer to certain Indiana colleges than to their own may attend and pay resident tuition.

Idaho, Oregon, and Washington have a cooperative approach that may provide North Dakota with a useful model. The agreement depends on a regularly negotiated number of students that will produce financial balance, with an annual tolerance band for term-by-term fluctuations. For North Dakota, an arrangement such as this would be far preferable to either strict numerical quotas or the status quo.

We understand that with strong endorsement from the Western Governors' Association, the Western Interstate Commission for Higher Education (WICHE) is exploring a significant expansion of its reciprocal, multi-state arrangements at the undergraduate level. We urge North Dakota's full participation in any such arrangements.

The Board should work to achieve a greater degree of financial equity in its interstate reciprocity agreement with Minnesota. Equity should not be defined as exact numerical or dollar balances each year or biennium but rather as a rough balance over time.

Recommendation #17

Vocational-Technical Education

Vocational-technical education in North Dakota is an important element in the fabric of postsecondary education, yet it is not available evenly throughout the state. This maldistribution occurs in spite of early state level planning efforts, the roles of secondary schools in the delivery of this education, and the fact that four public colleges (Williston, Bismarck, Lake Region, and NDSSS) are designated as Area Vocational Technical Institutes (AVTIs). Although not AVTIs, some NDSU-Bottineau programs are supported, as are some at Dickinson State College.

Although it is no longer a requirement of the federal government, we believe that the absence of an active, statewide planning committee has been harmful in that it has reduced communication between and among those involved in the planning, financing, and delivery of vocational-technical education. At minimum, in addition to an annual joint meeting of the State Board of Higher Education and the State Board of Vocational Education, there must be more regular communication between the staffs of the two boards.

Likewise, greater coordination between the boards is needed in periodically reporting on and evaluating programs on college campuses funded by the Board of Vocational Education. There appears to be an unnecessary degree of administrative redundancy in these matters.

In sum, the importance of postsecondary vocational-technical education is clear and growing, yet the level of comprehensive planning and coordination seems to have been reduced.

The State Board of Vocational Education and the State Board of Higher Education should work together to adopt a total system view and plan accordingly for the emerging postsecondary, vocational-technical education needs of North Dakota.

Recommendation #18

10. The Funding of Higher Education

The Capacity of the State

Determining whether the state has the capacity to provide more resources for higher education is beyond our charge. However, each of our interviews included some discussion of this matter. Serious concerns have been expressed over whether the state will tax itself at a higher rate. Even significant increases in the percentage rate that determines the state income tax or in the sales tax rate may enable the state to do little more than stay even.

Such increases may not occur. We have been told that political reality is likely to prevent any major adjustments in the many tax exemptions now enjoyed by different categories of residents. The tax cut that followed the oil boom seems unlikely to be reversed. Economically distressed citizens do not look favorably on sales tax increases. Decisions that determine state revenues, although beyond the scope of this report, will dramatically affect the state's capacity for quality in higher education.

A Changing Share of the Resources

It is clear that the state has struggled to fund higher education in ways that reflect its deep commitment to access and opportunity. The challenge in the future is to apply that commitment to funding higher education in new ways that encourage greater quality for all who seek the advantages of higher learning.

Appropriations to higher education inevitably reflect changes in the total revenue of the state. Even beyond cuts mandated by revenue difficulties, however, North Dakota higher education has suffered from decline in its proportion of

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Category	Proportion of General Fund 1975-77	1985-87	Ten Year Growth in Funds
Higher education	22.2%	19.5%	125.5%
Extension/Exper. Station	3.8%	3.1%	112.1%
Elem, Sec, Other Education	37.2%	37.4%	157.3%
Health/Welfare	17.0%	22.5%	238.9%
Public Safety	2.8%	2.1%	98.5%
Judicial	0.7%	1.8%	561.4%
Legislative	0.9%	0.8%	129.9%
Pers. Prop/Rev. Sharing	4.9%	5.5%	186.6%
All other	10.5%	7.2%	75.0%
Ten year growth in General Fund Appropriations			156.2%

state resources. In 1975-77 the proportion of state general funds for higher education was 22.2 percent; by 1985-87 that had *dropped* to 19.5 percent.

Opinions differ as to the reason for the decline. It may have been caused by the dramatic increase in court-mandated costs for human-services programs, or the legislature may view the present funding level for higher education as sufficient.

Regardless of the reasons, it is nevertheless clear that other state agency budgets are growing in disproportionate ways to higher education. Figures showing ten year change demonstrate this trend.[19]

Three spending categories account for 75 to 80 percent of all state funds: higher education; elementary, secondary, and other education; and health/welfare. Savings available from cutting other categories amount to relatively few dollars. Therefore, the fact that higher education has had the smallest increase among the three major categories suggests that higher education has been the primary source of savings for the state over the past 10 years. We share the view that reform is badly needed in the ways in which available funds are allocated to higher education, although it is not our place to suggest that other areas should have less.

A Flawed Funding System

The present system of allocating resources among institutions of higher education was designed many years ago; we believe that it may no longer be adequate.

It makes no sense to have two distinctly different funding techniques: an enrollment-driven formula system for the larger institutions and incremental budgeting (called minimum staffing) for the others. The present system produces great inequities among the institutions. Moreover, this arrangement reflects and exaggerates the separatist, insular self-definition of community and state interests.

Neither of these two techniques encourages the prudent use of resources nor do they reflect the true needs of the campuses. The extremes seem to be so great that "fine tuning" is out of the question. Aggressive competition for students is encouraged by the formula approach. One result is the unusually low student-to-faculty ratios at the smaller colleges and the less favorable ratios at the research universities. And there are wide differences in spending per student among the 11 campuses.

North Dakota's higher education funding technique prevents the level of attention to planning and needs assessment that should be encouraged through the budget. In effect, the current approach has encouraged political interference in budget development at the local campus level. Legislative protectionism of local campuses is fostered by this funding system, thus reducing the capability of the legislature to view state needs as a whole.

In sum, it is time to make fundamental changes in the manner in which funds are provided to North Dakota's colleges and universities. Changes are necessary in these areas:

- the basic formula for financing
- the role of the Board
- budget flexibility
- tuition and financial aid
- funds for innovation
- encouragement of resource-sharing
- funding cooperative center enrollments

An Equitable Formula

Colleges and universities have many budget areas over which they have some control. Some of these relate to instructional programs and personnel and may be affected by changes in enrollment; many others are fixed and are driven by such items as kinds and sizes of facilities and utility rates.

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The Board and the legislature have allowed the institutions to have considerable variations in costs per student. These variations have been accepted, it seems, yet no formal justifications for the differences exist, and the smaller programs show no economies of scale. Regardless of the timing of other changes in the funding method, the Board should, at minimum, track and report on unwarranted discrepancies. Such discrepancies should then be corrected. The system requires a single, basic higher education funding formula designed with particular attention to the fixed and variable costs of the 11 campuses.

This formula should result in comparable funding for comparable programs of instruction. Also, the Board should establish, to the best degree possible, maximum per student institutional cost levels that must be achieved within a period of two or three biennia by each of the campuses.

Furthermore, a college or university should not be penalized through the budget for a voluntary reduction in its size. Abuses in recruiting are minimized to the extent that institutions relying on an enrollment-driven budget can downsize but delay the timing of any proportional decrease of funds. The current practice of averaging enrollment over three years is a step in the right direction. Such moves enhance planning for the future and incur no immediate negative consequence to programs or campuses where a decision to become smaller seems wise.

Recommendation #19 *The Board, in cooperation with the legislative and executive branches, should establish a single, basic higher education funding formula designed with particular attention to the fixed and variable costs of the 11 campuses.*

Recommendation #20 *The new funding formula should enable institutions to become smaller without incurring undue financial penalty.*

The Role of the Board

The North Dakota Board, like similar agencies in other states, comes under criticism from state colleges and universities for not being sufficiently strong in defense of campus

needs and from legislators and others for being captive of the campuses. To assume that the Board must be either advocate or critic is to indulge the either-or fallacy.

The public interest is best served by a Board of Higher Education that is both strong critic and strong advocate, as circumstances and judgment dictate. To this end, the Board should have a substantially greater role in the budget process.

Some who spoke to this issue suggested that the Board be given greater responsibility for developing a consolidated budget. Some want the Board to allocate all higher education funds. Some told us that the Board's present responsibilities are the correct ones and that the legislature would not relinquish any of its budget authority.

One way to achieve more reasonable costs per student *and* to create regular incentives for better campus management is to increase budget flexibility, both for the Board and for each campus.

We understand that the state has made substantial progress in providing budget flexibility for the Board and institutions. The legislature authorizes the Board to make transfers among line item accounts on the campuses. The legislature provided a pool of discretionary funds to permit the Board to meet critical needs during the 1985-87 biennium. We endorse these actions, as well as the capability of the institutions and the Board to allocate excess income with Emergency Commission approval.

The Board will need additional budget flexibility in order to foster the state-system approach we recommended at the outset. Existing flexibilities focus on shifting funds within institutions. What is missing is sufficient capacity to meet needs that transcend institutional boundaries and changes that occur in the system as a whole during a biennium. A recent example occurred when the Board placed Lake Region Community College under the leadership of the North Dakota State School of Science. Another possible need arises when one or more institutions do not meet the income levels they estimated when budgets were established.

Many states are modifying traditional budget practice. The intent is to reaffirm faith in the system and campus managers, reassert the role of legislators in the overall area of state policy making, and reevaluate institutional performance in terms of how well educational objectives are achieved. Hawaii, Colorado, and New York are examples of states that have moved

toward an increase in campus flexibility in fiscal matters. Kentucky has made significant changes that increase campus control over matters of business management.

Campuses, like families, need to have sufficient flexibility to make the decisions that enable them to deal with ever-changing circumstances. They need to be able to move their money around. This is especially true in a state with biennial budgets, which create a long time between the appropriation and the need to expend funds. Flexibility will enable the colleges and universities to reach agreed-upon goals and objectives for each biennium. Flexibility does *not* change priority decisions and plans made by the Board. In fact, evidence shows that institutional decisions to address those priorities will be enhanced by a budget system that rewards efficiency and effectiveness.[20]

Another matter should be explored. The Board's historical role among higher education interest groups is partly attributable to its relatively low supporting resources, specifically staff and operating funds. For example, the Board now has no state funded capability to use one of its greatest assets—the institutional data in the statewide Higher Education Computing Network. Overall, the Board staff is among the smallest in the country for the Board's magnitude of responsibilities. The intelligence and experience of individual Board members go a long way toward enabling the Board to assume its proper, necessary leadership role. But the Board requires support as well as flexibility if its members are to rise to the challenge of shaping the future.

Recommendation #21

The Board should continue to have existing mechanisms for budget flexibility and should work with the legislative and executive branches to achieve greater budgetary flexibility for the Board and for individual campuses in order to meet unexpected institution and system needs during a biennium.

Recommendation #22

The Board should be provided with an increase in pooled funds for Board use in meeting unexpected interinstitutional and system needs during a biennium. It should also receive a greater degree of authorized discretion in expending pooled funds.

The Board should be provided with staff and operating resources sufficient to support its proper, necessary leadership role.

Recommendation #23

Tuition and Financial Aid

North Dakota is to be commended for its traditional emphasis on low tuition charges. In recent years those charges have risen substantially, yet they have been kept to under 25 percent of the total cost of education.

There is a persuasive maxim in public higher education that the best financial aid is low tuition. It avoids forcing students to assume a debt burden, it makes it more reasonable for students to work to cover some of the cost, and (from the state perspective) low tuition gets "aid" to students without the need to increase administrative overhead.

Governors and legislatures around the country are faced with ever-intensifying demands for funding the obligations of their states, particularly during periods of financial crisis. Many states have taken the easy way out of their financial difficulties by placing an even greater burden on the students. The temptation must be resisted. Financial aid—for all of its advantages—faces an unstable future, nationally and in the states. And we are aware of only two states that have reduced tuition rates in good times.

Another temptation has been to charge out of state students the full cost of instruction for undergraduate programs and amounts in excess of 100 percent for graduate and professional programs. Again, we believe that this is a temptation to be resisted. This kind of tariff makes little sense. It generates some added income, but invites retaliation from other states. As important, it inhibits the flow of talent between states.

North Dakota's small program of statewide student aid was established in 1973. In 1979, the state added a small tuition equalization mechanism for independent college students. According to a number of those interviewed, neither of these programs is sufficient to meet the needs of today's students.

Thirteen states now have successful state work-study programs. In some, private sector employment is possible (this is not so in the federal College Work Study Program). The inclusion of the private sector increases the range of employment opportunities, and because the state, the colleges, and

businesses contribute a proportion to the student's earnings there are attractive financial advantages to each.

The willingness of students in North Dakota to work while they attend college is evident. A work-study form of student aid fits the temper of North Dakotans who pride themselves on self-help and work.

Recommendation #24

We concur with the following recommendations of the Interim Budget Committee on Higher Education:

The committee recommends the 1987 Legislative Assembly increase state funded student financial aid, if fiscally feasible, to the level proportionate with 1981 tuition rates.

The committee recommends the Board of Higher Education and the Legislative Assembly limit the increase in resident student tuition to no more than the projected increase in the Consumer Price Index.

Recommendation #25

The Board should work with the Governor and legislature to establish a state work-study program to supplement its present programs of financial aid.

Funds for Innovation

During the present biennium the State Board was authorized discretion in how it distributed a one-million-dollar fund for critical contingencies. We were told by many that this experiment has been successful and urge continuation of the practice. An additional discretionary fund should be established each biennium from *new* monies dedicated to innovation in higher education institutions. The concept will fail if present institutional resources simply are diverted to such a fund.

There are many promising possibilities for using such a fund: competitive grants based on Board criteria for responsiveness to statewide issues; quality incentives for institutions or units within institutions; a fund for faculty innovations; and a catalyst for off-campus outreach programs (seed money for cooperative centers, for example).

The Board should be provided with a discretionary fund of new monies to encourage innovations that will improve academic quality in the institutions.

Recommendation #26

Funds for Critical Capital Needs

North Dakota has major, critical needs for repairs and improvements to its college and university buildings. The capital investment is enormous, yet insufficient funds have resulted in deferred maintenance and neglect. The evidence is clear: leaking roofs, inadequate laboratories, inefficient weatherizing, and some fears for the safety of students. A special appropriation is necessary to correct the deficiencies on the campuses. Even in these times when capital expenditures have been small, such a special fund should be authorized and made available to the Board for distribution according to its assessment of the most pressing needs.

The Board should receive capital funds for urgent plant maintenance and upgrading scientific equipment.

Recommendation #27

Resource Sharing

Few incentives support interinstitutional resource-sharing. Such cooperation can be highly efficient, however, and we promote the idea.

One cost-effective means of sharing resources is the centralization of certain administrative functions. Without seriously affecting the autonomy of individual campuses, tasks related to payroll, student records keeping, accounting, and so forth could be centrally maintained and instantly accessible through on-line telecommunications devices. The Higher Education Computing Network, already in place, could be very useful for this purpose.

Recommendation #28 *The Board and campuses should explore the feasibility of centralizing certain administrative functions. The controlling test is whether savings can be demonstrated without costly delays, new inefficiencies, or infringements on campus self-governance.*

State Support for Cooperative Centers

We already have expressed our view that cooperative centers for higher education should be considered as a way of bringing higher education services and programs to communities.

Key to the success of such endeavors is recognizing in the funding formula the enrollments in centers. Enrollments in the University programs in Bismarck are thus recognized and we were told that the legislature is likely to be supportive of expanding this approach to other formally designated centers. This approach would be equitable for students, would produce a true picture of the magnitude of higher education participation in the state, and would be a positive step toward the realization of greater access to higher education for North Dakotans.

Recommendation #29 *The Board should request the legislature to provide state support for approved credit programs offered in higher education centers.*

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11. Other Issues

Cooperative Extension and Agricultural Experiment Stations

Cooperative Extension and the Agricultural Experiment Station are presently being reviewed independently under the observation of the Board. However, many commented about these two programs during our visits in North Dakota. This, combined with the fact that both are closely linked to the higher education community, prompts these few observations.

First, Cooperative Extension Service activities represent 3.5 percent of the current higher education general fund; the Experiment Station receives 10.2 percent. Growth in these funds has been essentially comparable to growth in the college and university budgets. No diminished higher education funding can be attributed to the two agricultural entities.

Second, there is widespread support for the work of the Experiment Station in its several locations—for example, appreciation for successful research in disease and pest control was uniformly high. However, we were told many times that the nature of the research is too narrowly focused on growth in production and should be diversified to explore new ways to utilize what is now being produced.

Third, nationally and in North Dakota dramatic changes have taken place in the agricultural industry: declining profitability, greater levels of surplus production, and increasing numbers of larger commercial farms. Further, the economic environment has changed in ways that do not favor a continuation of the status quo in agriculture or other industries.

We suggest that the Board carefully review the nature and scope of each Experiment Station site to determine the relevance of its activities in the context of a statewide plan for agriculturally related research that addresses the needs of North Dakota's second century.

In our view, Cooperative Extension and the Experiment Station must be full cooperating partners in the entire state's efforts at economic revitalization, and their staffs must work more directly with professional colleagues on the campuses to design and execute opportunities for education and training that will be of value to those in agriculture as well as those who are leaving it.

Finally, there have been suggestions to reduce the number of Cooperative Extension Centers from fifty to eight. We are unable to comment on the wisdom of this suggestion. Nevertheless, should consolidation be proposed and authorized, we urge the Board to take full advantage of any possibilities to use the present physical resources of its 11 colleges and universities. It is appealing to imagine North Dakota moving toward consolidation that increases cost-effectiveness, that increases service to entire regions through a pooling of resources and professional expertise, and that adds to the efficient use of college or university facilities.

Medical Education

North Dakotans were eager to share their views on medical education, which accounts for nearly 11 percent of general-fund expenditures for higher education. However, this area was beyond the scope of our study. The firm of Ernst and Whinney has been contracted to examine future directions for medical education in the state. We trust that the Board will consider their recommendations within the context of statewide issues such as those we have raised here.

PART THREE

Summary and Conclusion

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12. Summary of Recommendations

We have written this report with attention to North Dakota's history, with an awareness of the present challenges facing the state and its institutions of higher education, and with the hope that we have been successful in taking a longer view of what lies ahead.

We have said that we wish to be a resource, a contributor to your ongoing dialogue. We know that there are no final solutions. There must be no false hopes about this. Each state now finds itself struggling to adapt to the challenges of present times—while developing capabilities to better address an uncertain future.

This process of change is gradual. Nevertheless, the time now seems ripe in North Dakota for making some basic changes that will help assure that the colleges and universities are able to be full participants as the state shapes its future.

The burden of difficult decisions lies with the political and educational leaders of North Dakota. The ways to address critical issues—and the means to resolve them—are in your hands. It is because of the strength of North Dakotans, and plentiful historical evidence of flexibility and adaptation, that we are optimistic about your future. Many states have greater natural resources, larger populations or a more diversified economic base. None have people with the level of spirit, pride, and determination we saw in such abundance in North Dakota.

You have in place communities and campuses that you are loyal to, have great hopes for, and want to preserve. North Dakota must recognize its fundamental obligation to support higher education. Your colleges and universities are profoundly valuable state resources and, if kept healthy and responsive, will play a key part in the future economic well-being of North Dakota. Now you must apply your spirit, pride, and determination to make them work.

To fulfill this obligation you must establish a new coalition. The key leaders in North Dakota are not working in concert to strengthen higher education or to increase the confidence of the people in higher education. North Dakota's pressing financial difficulties have served to aggravate this condition. Each campus relies on its own legislative support base, and communities compete without a vision of the whole.

The State Board of Higher Education has the unique opportunity to orchestrate North Dakota's new coalition of support for higher education. It must seize that opportunity.

The recommendations we offer are intended to:

- reaffirm the primary role of the Board to plan for the future of higher education in North Dakota
- end the divisive arguments over closing campuses
- clarify the meaning and value of access and point to realistic ways of increasing access
- improve the method of financing the colleges and universities to increase equity, flexibility, and accountability

The recommendations should be regarded as challenges to:

- clarify the primary roles of each of the 11 colleges and universities, thereby transforming them into a cohesive statewide system of higher education that is better able to serve North Dakota
- protect the state's investment in the faculties
- review existing programs of instruction for evidence of quality and need
- recognize and fill the educational deficits of students who enroll in higher education
- increase access through cooperative centers for higher education
- develop formal, helping relationships between and among schools, colleges, and universities in the common interest of improving education in the state
- find ways to resolve the financial inequities of interstate reciprocity
- plan more comprehensively for postsecondary vocational-technical education
- increase student financial assistance, make tuition increases commensurate with that assistance, and establish a state work-study program of assistance

Governance

We found that North Dakota does not have in place a *true system* of higher education, that the roles and missions of the 11 institutions are unclear, that the sprawl of academic and vocational programs has dissipated scarce resources, and that the admirable aspirations of 11 free-standing institutions do not add up to a statewide vision of higher education.

We found that the State Board of Higher Education is not an effective force in planning for a coherent system responsive to new needs, and that neither governors, legislators, nor university presidents have believed that the Board should have a major role in planning and in shaping statewide priorities.

We found that the constitutional status of 8 of the 11 institutions has confused the discussions about power and responsibility, creating tensions between the Board and the political leadership of the state.

Our conviction is that strong leadership is needed at all levels—the campus, the Board, the office of Governor, the legislature—to shape higher education into a powerful engine for economic and social progress. The necessary first step is for the political leadership to commit itself to making the State Board its chosen agent for planning, coordinating, and monitoring higher education.

We note that power is not a zero-sum game. A strong Board of Higher Education is fully compatible with a strong legislature and a strong Governor.

Recommendations 1 and 2 call for a commitment by the Board, Governor, and legislature to develop a true system, to set priorities, and to plan.

Access

We found a deep dedication to access, largely equated with proximity to a campus and admission to college by virtue of graduation from high school. This neglects other critical dimensions of access: availability of desired programs, class schedules convenient to would-be students, ability to pay, and adequacy of high school preparation. By these measures, North Dakota has less access than it thinks it has.

We found that the long-standing concern about "too many," "too small," "too costly" colleges has been deeply

divisive. The fevered issue of closing campuses has distracted attention from the larger issue, that of transforming institutions to better serve future needs.

Recommendations 3, 4, and 5 call for the State Board of Higher Education to focus renewed dialogue on the meaning of access; analyze the effects of open admissions on students and on institutional missions; and affirm its commitment to providing postsecondary education programs in Devils Lake, Bottineau, and Mayville, through new and different institutional arrangements where necessary.

Institutional Role and Mission

We found that institutional roles and missions require fresh review and reconsideration, affirming historic roles where desirable and revising such roles when necessary. The pressing need is for sharper differentiation of function. The aspiration to meet local community and regional needs has led the senior campuses to offer programs, notably associate degree programs, inconsistent with institutional purpose. Contrary to popular impressions, research universities, state colleges, and community colleges must differ in important ways—in program offerings, aspirations of the faculty, and suitability for different kinds of students. At present the 11 institutions generally manage to provide whatever programs they wish.

We offered our judgment concerning desirable changes in direction or emphases for each of the 11 institutions.

- Where there is demonstrable need, the **North Dakota State School of Science** should offer its unique programs and services to other regions of the state.
- **Bismarck Junior College** should continue its successful service as a two year institution and should not become a baccalaureate level college.
- **NDSU-Bottineau** should become a true two year, lower-division branch of the North Dakota State University. It should emphasize its distinctive historical mission in agriculture, forestry, and horticulture.
- **UND-Williston** should become a true two year, lower-division branch of the University of North Dakota. Any local needs for baccalaureate and advanced degrees may

be met through cooperative arrangements with the state colleges and universities.

- **Lake Region Community College** should remain affiliated with the North Dakota State School of Science. The College should give additional attention to periodic offering of demonstrably needed vocational-technical courses and programs.
- The **University of North Dakota** must serve North Dakota with programs recognized by the Board as unique to the University, specifically with regard to its mission in specialized graduate and professional programs and advanced research.
- **North Dakota State University** must also serve North Dakota with programs recognized by the Board as unique to the University, specifically in its distinctive instructional programs and statewide responsibilities as North Dakota's land-grant institution.
- **Minot State College** should remain a comprehensive state college with selected master's degrees in program areas of particular strength, and should not be granted university status.
- **Dickinson State College** should offer a diversified academic program, including selected majors for secondary education fields. The College should continue its efforts in those business fields in which it can make a contribution. The College should not be encouraged to grant graduate degrees, but should consider its potential role as a carefully focused higher education center for cooperative programs with other state institutions.
- **Valley City State College** has a rich tradition in teacher education and should continue its regional service in this important field. The College should continue to develop an undergraduate curriculum that is responsive to the present and emerging needs of the region, including programs in business.
- **Mayville State College** should conduct a thorough review of its entire academic program with the expectation that its scope will be reduced. Mayville must

then concentrate on maintaining fewer programs, with emphases in teacher education, business, and other areas of special strength within the College.

Recommendations 6 and 7 challenge the Board to establish clearer roles for each college and university within a comprehensive plan geared to statewide needs and to reassess associate degree programs at four year institutions.

Academic Program Issues

We found the presidents and the faculties struggling creatively to sustain quality in the face of severe budget limitations. North Dakota is blessed with loyal sons and daughters who have elected to become faculty members in its colleges and universities. They are a measureless asset—but should not be taken for granted. There is a clear and present need for budgetary relief, if quality is not to erode further. **Recommendation 8** addresses the need to protect and nurture the faculty as a resource.

Program distribution is a concern. We found that the Board has moved aggressively to review selected degree programs with an eye to eliminating unnecessary duplication. More systematic, regular review of academic programs at the campus level is needed, with monitoring by the Board. **Recommendation 9** challenges the campuses and the Board to expand and regularize their efforts in program review.

The campuses should do much more to develop a core curriculum that significantly strengthens general education. Also, students should have the right to expect a roughly comparable general education at any campus offering the Associate of Arts/Science degree or the Bachelor of Arts/Science degree. **Recommendation 10** addresses the need to reinvigorate general education and develop a core curriculum that enhances student access.

Transfer of credits, a perennial problem for students moving to another campus, requires much more attention. In **Recommendation 11** we urge that consistent policies be developed.

The controversy on whether to cap enrollments at the larger campuses in order to funnel students to low enrollment and high cost campuses is carried on independently of the central

issue, that of the proper role and mission of each institution. Mission should determine enrollment patterns, not artificial caps. **Recommendations 12 and 13** urge that the Board consider enrollment ceilings (caps) only in the context of expectations concerning the roles and missions of the affected institutions; and that if enrollments are deliberately reduced for educational reasons, the universities not be penalized but continue to be funded for mission-specific and fixed costs unrelated to enrollment.

Too little attention is given to the mismatch between the aptitude and preparation of entering students and college level instruction. The Board and campuses must give more forthright recognition to the need to fill educational deficits for students who, through no fault of their own, need special assistance. In **Recommendation 14**, we urge that remedial education command the attention it deserves.

Partnerships and Cooperative Arrangements

North Dakota pays a price for stand-alone campuses—for the absence of a system that allocates missions in light of state needs. It cannot be assumed that the existing configuration of campuses and programs will serve the changing needs of a changing population. Cooperation among the campuses should be the new mandate.

A creative solution may be found in setting up *higher education centers.* A successful example is the Graduate Center at Bismarck, which uses the facilities of Bismarck Junior College and the faculties of the University of North Dakota to offer three master's degrees. The idea is engagingly simple, and potentially of great value on two counts: service to students in underserved areas and avoidance of program duplication. **Recommendation 15** is that the Board explore with the 11 institutions ways to develop centers and encourage appropriate funding.

Underprepared students are the direct consequence of the lack of close, continuing communication and collaboration between the public schools and the campuses. **Recommendation 16** asks that the Board require the colleges and universities to develop systematic, regular relationships with the public schools in their region on matters of shared concern.

Cooperation across state boundaries makes good sense, although present reciprocity arrangements have generated considerable criticism. These arrangements should not be discarded, but they do require renewed consideration to achieve a greater degree of financial equity. **Recommendation 17** suggests that the Board again address reciprocity. In doing so, it should not define equity as exact numerical or dollar balances each year or biennium, but rather as a rough balance over time.

Cooperation among state agencies also makes good sense, particularly between the state boards for higher education and for vocational education. We believe that inadequate communication between the two boards has led to unnecessary administrative redundancies and lost opportunities to provide active leadership for coordinated vocational-education programs. **Recommendation 18** suggests that the two boards work together for a planned system of vocational education.

The Funding of Higher Education

We observe that higher education's share of the state budget has declined steadily, intensifying in turn the pressure on college budgets.

At any level of funding, the present system of allocating funds to higher education institutions produces great disparities between and among them. It makes no sense to have two different funding systems—an enrollment-driven formula for the larger institutions and incremental budgeting (called minimum staffing) for the others. Neither of the two approaches reflects the true needs of the campuses or encourages prudent use of funds.

Legislative protectionism of local campuses is fostered by practices now deeply embedded in the budgetary system and present appropriation strategies. In time the Board and others must develop a funding formula that adequately reflects both fixed and variable costs, as well as costs associated with specific missions and roles.

Flexibility in the management of appropriated funds is the new imperative in state funding of higher education. The Board and the institutions, working together, need to retain the kinds of authority they now have to shift funds to meet changing needs. They also need even greater authority. Defining suitable, workable new approaches will require close cooperation

between the Board, the Governor, and the legislature and will not be easily or quickly done. But down that path lies improved performance, a better awareness of priorities, and greater accountability for educational results.

North Dakota has made commendable efforts to preserve low tuition, perhaps the best type of financial aid. The great danger is that the state will balance the higher education budget by ever-heavier tuition increases that impose ever-heavier burdens of debt on students. We fully concur with the recommendations of the Interim Budget Committee on Higher Education concerning needed increases in state-funded student financial aid.

North Dakota does not have a state work-study program. It needs one. This form of student aid fits the temper of North Dakotans who pride themselves on self-help and work.

We could not avoid hearing testimony about the immediate burdens of the present state budget. Nevertheless, we concluded that, at minimum, the state should address the critical needs for repairs and improvements in campus buildings at the earliest possible time. The state has a large investment built up over the years and deferred maintenance is the worst of false economies.

Recommendations 19 through 23 address in detail the changes necessary to achieve comparable funding for comparable programs, and the need for flexibility in budget allocation and reallocation.

Recommendation 24 and 25 deal with financial aid and a state work-study program. **Recommendations 26 and 27** support the need for new funds to encourage academic innovation and to correct urgent deficiencies in capital maintenance and scientific equipment. In **Recommendations 28 and 29**, we propose that routine administrative functions be centralized and that funds be provided to support higher education centers.

The Common Thread

Several related themes run through the report and the recommendations; they deserve constant emphasis. Leadership is required at all levels if the colleges and universities are to become strong partners in the building of a brighter tomorrow. All parties to the higher education enterprise must become stronger, better leaders.

Cooperation, not coercion, is required. Leadership from one group that works against another is counterproductive. The college campus is unlike any other state agency, or business for that matter. No one can coerce a professor to give a quality performance. The desire to excel comes from deep within; it is to be nurtured rather than commanded. So it is at every level in the world of higher education.

Always the search is for the delicate and precarious balance: teaching and research and service; the faculty and the administration; the institutional interest and the state interest; a university education for the next job and education for a lifetime of learning.

We trust that our reasoning and our various recommendations are infused with a sense of what is ultimately important: cooperative leadership with vision and the balancing of interests in a spirit of fairmindness. It is a spirit for which North Dakotans are rightly famous.

13. Concluding Observations

Over ten years ago, a respected observer of higher education commented:

> The pinnacle has not yet been reached; the pendulum will continue to swing; the curve will move upward to a better-educated people. As soon as the nation begins to struggle out of the cynical, under-confident mood that has afflicted it . . . there will be a restoration of faith in the expansion and improvement of public higher education as the best possible investment of tax funds for the long future.[21]

The underlying assertion throughout our report is that support for higher education and access to it should be increased, not curtailed. We believe that a refined and redefined system of public higher education promises to contribute mightily to the social and economic future of North Dakota.

Our interviews seemed to confirm the major findings of a poll conducted some months ago. In brief, the public does not believe there are too many institutions; there is a reluctance to close institutions; most feel that the institutions are doing a good job; more than one-third would raise taxes to support higher education; and two-thirds would not hesitate to take funds from other state functions to support higher education.[22]

Despite this public statement of support and the efforts in recent years to fund the state system, the present budget is not keeping pace with other state funded entities. The threat of cuts to the present budget and of reductions in future levels of support looms ahead.

North Dakota is not alone among the states in this difficult time. But we share the view of the Governor of Nebraska, who called for a judicious investment to benefit public higher education and has focused particular attention on the ties between higher education and the state's industrial and agricultural enterprises.

North Dakota's research institutions have long participated in agriculturally related developments. More recently, the two universities have taken steps to move their research and expertise into other arenas for economic development, such as business incubators. This kind of effort must be encouraged and supported.

Growing recognition of the values of access and personal development and the role higher education must play in economic revitalization seems to us one of the most encouraging signs of the past several years. The key leaders in North Dakota need to work in concert to strengthen higher education and to increase the public's understanding of its state colleges and universities. As one legislator put it, what North Dakota needs is a reaffirmation of faith in higher education.

The present financial crisis is more likely to tear the fabric of trust apart than strengthen it. Each institution has its own legislative support base; cities and towns compete without a vision of the whole. Presidents recognize the need for more unity—and know of the great influence such unity could bring. Yet the budget system and local and regional politics and pressures inhibit partnerships that would improve statewide effectiveness.

The Board has asserted itself in many areas to foster greater cohesion. Some decisions and recommendations have been controversial, thus limiting the ability of the Board and its staff to orchestrate any larger effort. Nevertheless, the Board should continue to play an active, leading role and develop the broad coalition necessary to enhance public higher education.

We believe that if the key recommendations in this report are given full force and effect, a renewed, reinvigorated, cohesive *system* of colleges and universities can do much to move North Dakota forward.

Without the continuing and debilitating threats to close their campuses, the leaders of smaller colleges would be able to concentrate considerable energies on improving their programs within a statewide framework. These leaders can then call upon their strong community networks to add their support to all of higher education. With greater interinstitutional cooperation, local legislators will come to appreciate the symbiotic relationship between and among the campuses and will see how the total system can respond to local needs.

The people who care about higher education, who have a keen grasp of its potential for economic development and progress on all fronts, need to step forward and in a spirit of cooperation put their convictions to work. North Dakotans have plenty of experience in successful coalition building. The recent effort of supporters of medical education is a classic example of how to mobilize and deploy interested people. The long-standing "Ag Coalition" is widely recognized for its achievements. There is much potential for assistance from groups such as the League of Women Voters, the Greater North Dakota Association, the American Association of University Women, and many other groups. But where is the shared vision of that larger public interest? Where are the leaders who will work to define that statewide public interest and do it in straight, no-nonsense terms that will make sense to the citizens?

Our belief in the capacity of North Dakotans to achieve this statewide coalition of support for higher education is based on our direct observations of a people we admire and on our sense of your own history of mental toughness, ingenuity, and perseverance. Elwyn Robinson's words are again prophetic:

> North Dakotans can look upon their accomplishments with satisfaction. They can feel at home in a world of change and look forward with optimism to a continuation of the still-incomplete work of adapting their society and its institutions to the environment.[23]

In these pages we offer recommendations and urge their implementation. But ultimately what matters far more is that thought and word serve as a catalyst in bringing citizens together to envision a future and make it real. North Dakota's colleges and universities should not only figure prominently in such a future, they are the surest way to secure it. By shaping higher education today, North Dakota truly fashions a blueprint for building tomorrow. The quality of that future can be read in the quality of your commitment to protect and enhance educational opportunity.

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C. Interviewees

The Advisory Panel on the Future of Higher Education in North Dakota expresses its appreciation to those who provided us with information and ideas. They include:

- Administrators on all 11 campuses
- Faculty leaders on all 11 campuses
- Community members who attended our open meetings
- Media representatives
- Members of the staff of the State Board of Higher Education

In addition, each of the following individuals spent an hour with us individually. We appreciated the opportunity to explore their observations at length, although full responsibility for the contents of this report is ours.

Sen. Mark Adams
Dr. Kent Alm
Dr. Clair Blickre
Mrs. Judy Bott
Mr. Carrol Burchinal
Dr. Richard Chenoweth
Mr. Lee Christensen
Mr. Tom Clifford
Rep. Jack Dalrymple
Mr. Joe Dill
Rep. William Goetz
Mrs. Jean Guy
Sen. William Heigaard
Mr. James Horton
Dr. Charles House
Rep. Steve Hughes
Mr. Mike Jacobs
Mr. Larry Johnson
Dr. Myron Johnsrud
Rep. Tish Kelly
Rep. Tom Kuchera
Dr. Ty Langager
Dr. Kermit Lidstrom
Sen. Evan Lips
Dr. Laurel Loftsgard
Dr. Roald Lund
Mr. Robert Melland
Rep. Charles Mertens
Rep. Donna Nalewaja
Mr. Chester Nelson
Sen. Gary Nelson
Rep. David O'Connell

Mr. Jack Olin
Dr. Gordon Olson
Sen. John Olson
Mr. Lloyd Omdahl
Mr. Bill Patrie
Dr. Jack Pfister
Mr. Richard Rayl
Sen. Rolland Redlin
Mr. William Roesgen
Mr. Rod Romine
Sen. Joseph Satrom
Dr. James Schobel
Mrs. Marijo Shide
Governor George Sinner
Dr. Michael Smith
Mr. Garvin Stevens
Sen. Bryce Streibel
Rep. Earl Strinden
Sen. Jens Tennefos
Sen. Russell Thane
Mr. Kenneth Tweten
Dr. Albert Watrel
Sen. Frank Wenstrom
Rep. Clark Williams
Rep. Tom Wold

The Advisory Panel on the Future of Higher Education in North Dakota

Harold Enarson, chairman of the panel, is President Emeritus of The Ohio State University. He is currently a member of the Colorado Commission on Higher Education. He co-chaired a recent commission on the future of higher education in New York and has served on review panels in Missouri, Texas, and Kansas.

Fred Harcleroad is Professor Emeritus of Higher Education at the University of Arizona. He has been a dean at San Jose State University, founding President of California State University at Hayward, and president of American College Testing (ACT).

Harlan Heglar recently retired as President of Laramie County Community College in Cheyenne, Wyoming. He has headed other community colleges and was a national board member of the American Association of Community and Junior Colleges (AACJC). He also worked in agriculture for twelve years.

Phillip Sirotkin is Executive Director of the Western Interstate Commission for Higher Education (WICHE). He has held administrative positions at the State University of New York at Albany and the National Institute of Mental Health. He is a former political-science professor at Wellesley College.

Carl Trendler has been a state-level higher education executive in Washington, Rhode Island, and Missouri. Earlier he held administrative positions at Chatham College, Indiana University, and Moravian College.

Colleges and universities are the most valuable asset owned by the people of North Dakota. It is vital to this generation and those following that this resource be preserved, protected, and nurtured.